Amrut Nature Solutions Private Limited
Balance Sheet as at 31 March 2024
(All amounts in ₹, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Non-current assets			
Property, plant and equipment	1	1,84,824	2,66,356
Capital work-in-progress		-	-
Investment Property		-	-
Financial assets			
(i) Other financial assets		-	-
Deferred tax assets (net)	2	3,35,396	2,03,426
Non-current tax assets (net)		-	-
		5,20,221	**4,69,782**
Current assets			-
Inventories		-	-
Financial assets			-
(i) Investments		-	-
(ii) Trade receivables	3	-	19,88,452
(iii) Cash and cash equivalents	4	4,25,42,484	2,18,21,950
(iv) Bank balances other than (iii) above		-	-
Other current assets	5	42,15,924	5,95,540
		4,67,58,408	**2,44,05,941**
Total assets		**4,72,78,629**	**2,48,75,723**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	8,00,00,000	4,00,50,000
Other equity	7	(3,46,51,663)	(1,76,63,451)
Total equity		**4,53,48,337**	**2,23,86,549**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings		-	-
Provisions	10	6,66,377	-
Deferred tax liabilities (net)		-	-
Current liabilities		-	-
Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	8	5,46,171	6,15,305
(b) total outstanding dues other than (i) (a) above			
(iii) Other financial liabilities			-
Other current liabilities	9	6,31,074	12,13,731
Current tax liabilities, net		-	-
Provisions	10	86,669	6,60,138
Total Liabilities		**19,30,291**	**24,89,174**
Total Equity and Liabilities		**4,72,78,629**	**2,48,75,723**

The accompanying notes form an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date.

For M. Borar & Co.
Chartered Accountants
Firm's Registration No.: 314255E

CA. Swarnim Gupta
Partner
Membership No.: 430914

M. BORAR & CO. CHARTERED ACCOUNTANTS 314255E

UDIN: 24430914BKHMZO7841
Place: Indore
Date: 29/04/2024

For and on behalf of Board of Directors of
Amrut Nature Solutions Private Limited

Manish Kumar Dabkara
Director
DIN: 03496566

Naveen Sharma
Director
DIN: 07351556

Place: Indore
Date: 29/04/2024

Amrut Nature Solutions Private Limited
Statement of Profit and Loss for the period ended 31 March 2024
(All amounts in ₹, except earnings per equity share and unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended 31 March 2023
Revenue from operations	11	43,41,601	23,60,109
Other income	12	25,00,155	-
Total income		68,41,756	23,60,109
Expenses			
Purchases		-	
Changes in Inventory		-	
Employee benefits expense	13	2,13,51,454	1,58,56,803
Depreciation expense	14	2,51,821	2,436
Other expenses	15	28,09,822	43,67,747
Finance costs		-	-
Total expenses		2,44,13,097	2,02,26,986
Profit before tax		(1,75,71,341)	(1,78,66,877)
Tax expense			
(a) Current tax		-	-
(b) Deferred tax expense		(2,44,760)	(2,03,426)
Taxes of earlier years		-	-
Total tax expense		(2,44,760)	(2,03,426)
Profit for the year		(1,73,26,581)	(1,76,63,451)
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss		4,51,159	-
Income tax relating to items that will not be classified to profit/		1,12,790	-
Total other comprehensive income/(loss) for the year		3,38,369	-
Total comprehensive income for the year		(1,69,88,212)	(1,76,63,451)
Earnings per equity share (EPES)	16		
- Basic EPES (In absolute ₹ terms)		(2.36)	(2,258.44)
- Diluted EPES (In absolute ₹ terms)		(2.36)	(6.05)

The accompanying notes form an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For M. Borar & Co.
Chartered Accountants
Firm's Registration No.: 314255E

M. BORAR & CO. CHARTERED ACCOUNTANTS CA 314255E

CA. Swamini Gupta
Partner
Membership No.: 430914

UDIN: 24430914BKHMZO7841
Place: Indore
Date: 29/04/2024

For and on behalf of Board of Directors of
Amrut Nature Solutions Private Limited

AMRUT NATURE SOLUTIONS PRIVATE LIMITED ANSPL INDORE INDIA

Manish Kumar Dabkara
Director
DIN: 03496566

Naveen Sharma
Director
DIN: 07351558

Place: Indore
Date: 29/04/2024

Amrut Nature Solutions Private Limited
Statement of Cash Flows for the period ended 31 March 2024
(All amounts in ₹, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	**(1,71,20,182)**	**(1,78,66,877)**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation expense	**2,51,821**	2,436
Employee benefits expense	-	-
Interest income	**(24,45,046)**	-
Changes in fair value excluding net gain/ (loss) on sale of investments	-	-
Dividend income	-	-
(Gain)/loss on sale of investments	-	-
Loss on sale of fixed assets (net)	-	-
Operating profit before working capital changes	**(1,93,13,407)**	**(1,78,64,441)**
Adjustment for changes in working capital:		
Decrease in inventories	-	-
(Increase)/Decrease in trade receivables	19,88,452	(19,88,452)
Increase in other financial assets	-	-
(Increase)/Decrease in other assets	(36,20,384)	(3,59,511)
Increase in trade payables	(69,134)	6,15,305
Increase/(Decrease) in other financial liabilities	-	-
Increase/Decrease in other liabilities	(4,89,749)	18,73,869
Cash generated from operations	**(2,15,04,222)**	**(1,77,23,229)**
Income taxes paid	-	(2,36,029)
Net cash generated from operating activities	**(2,15,04,222)**	**(1,79,59,258)**
Cash flows used in investing activities		
Purchase of property, plant and equipment	(2,27,180)	(2,68,792)
Proceeds from sale of property, plant and equipment	56,890	-
Proceeds from sale of investments	-	-
Purchase of investments	-	-
Decrease/(increase) in other bank balances	-	-
Interest received	24,45,046	-
Dividend received	-	-
Net cash flow used in investing activities	**22,74,756**	**(2,68,792)**
Cash flows from financing activities		
Receipts from issue of Share Capital	3,99,50,000	4,00,50,000
Net cash flow from/used in financing activities	**3,99,50,000**	**4,00,50,000**
Net (decrease)/increase in cash and cash equivalents	**2,07,20,534**	**2,18,21,950**
Cash and cash equivalents at the beginning of the year	2,18,21,950	-
Cash and cash equivalents at the end of the year	**4,25,42,484**	**2,18,21,950**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash on hand	-	-
Balances with banks:		
- On current accounts	1,04,387	2,18,21,950
- On deposit accounts	4,24,38,097	-
Total cash and cash equivalents (note 3)	**4,25,42,484**	**2,18,21,950**

This is the Cash Flow Statement referred to in our report of even date.

For **M. Borar & Co.**
Chartered Accountants
Firm's Registration No.: 314255E

M. BORAR & CO. CA 314255E CHARTERED ACCOUNTANTS

CA. Swarnim Gupta
Partner
Membership No.: 430914

Place: Indore
Date: 29/04/2024

UDIN - 24430914BKHMZ07841

For and on behalf of Board of Directors of
Amrut Nature Solutions Private Limited

AMRUT NATURE SOLUTIONS PRIVATE LIMITED ANSPL INDORE INDIA

Manish Kumar Dubiara
Director
DIN: 03496566

Naveen Sharma
Director
DIN: 07351558

Place: Indore
Date: 29/04/2024

Amrut Nature Solutions Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

1. Tangible assets

Particulars	Plant and machinery	Data processing equipment	Total
Deemed carrying amount			
As at 1 April 2022	-	-	-
Additions	16,200	2,52,592	2,68,792
Disposals/retirement			-
As at 31 March 2023	**16,200**	**2,52,592**	**2,68,792**
Additions	-	2,27,180	2,27,180
Disposals/retirement	-	71,652	71,652
As at 31 March 2024	**16,200**	**4,08,119**	**4,24,319**
Accumulated depreciation			
As at 1 April 2022	-	-	-
Charge for the year	2,436	-	2,436
Adjustments for disposals/retirement	-	-	-
Up to 31 March 2023	**2,436**	**-**	**2,436**
Charge for the year	8,692	2,43,129	2,51,821
Adjustments for disposals/retirement	-	14,762	14,762
Up to 31 March 2024	**11,128**	**2,28,367**	**2,39,495**
Net block			
As at 31 March 2024	**5,072**	**1,79,752**	**1,84,824**
As at 31 March 2023	**13,764**	**2,52,592**	**2,66,356**
As at 1 April 2022 (Deemed cost)	**-**	**-**	**-**

M. BORAR & CO. CHARTERED ACCOUNTANTS 314255E

Amrut Nature Solutions Private Limited
Statement of Changes in Equity for the period ended 31 March 2024
(All amounts in ₹, except equity shares data and unless otherwise stated)

(a) Equity Share Capital

	Number	Amount
Equity shares of ₹10 each issued, subscribed and fully paid-up		
Balance as at 1 April 2022	-	-
Changes during the year	10,000	1,00,000
Balance as at 31 March 2023	**10,000**	**1,00,000**
Changes during the year	79,90,000	7,99,00,000
Balance as at 31 March 2024	**80,00,000**	**8,00,00,000**

(b) Other Equity

	Surplus in the Statement of Profit and Loss	Other Comprehensive Income - Actuarial gain/(loss)	Total
Total comprehensive income/(loss) for the year ended 31 March 2023	**(1,76,63,451)**		**(1,76,63,451)**
Profit for the Year	(1,73,26,581)	-	**(1,73,26,581)**
Other comprehensive loss for the Year	-	3,38,369	**3,38,369**
Total comprehensive income/(loss)	**(3,49,90,032)**	**3,38,369**	**(3,46,51,663)**
Balance as at 31 March 2024	**(3,49,90,032)**	**3,38,369**	**(3,46,51,663)**

The accompanying notes form an integral part of these financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.

For M. Borar & Co
Chartered Accountants
Firm's Registration No.: 314255E

CA. Swarnim Gupta
Partner
Membership No.: 430914

UDIN: 24430914BKHMZO7841
Place: Indore

For and on behalf of Board of Directors of
Amrut Nature Solutions Private Limited

Manish Kumar Dabkara
Director
DIN: 03496566

Naveen Sharma
Director
DIN: 07351558

Place: Indore
Date: 29/04/2024

Amrut Nature Solutions Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

2 Deferred tax assets, net

	As at 31 March 2024	As at 31 March 2023
Deferred tax liabilities arising on account of :		
Differences in depreciation and other differences in block of Property, plant and equipment as per tax books and	6,045	(12,715)
Differences in allowance of preliminary and pre-operative expenses	1,62,465	2,16,139
Differences in allowance of Provision of Gratuity	1,66,887	-
	3,35,396	2,03,426

Movement in deferred tax assets:

	As at 31 March 2023	Charge/ (credited) to: Statement of Profit and Loss	Charge/ (credited) to: Other Comprehensive Income	As at 31 March 2024
(i) Property plant and equipment	(12,715)	18,758	-	6,045
(ii) Preliminary and Pre-Operative Expenses	2,16,139	(53,674)	-	1,62,465
(iii) Provision of Gratuity		2,79,676	(1,12,790)	1,66,887
	2,03,426	2,44,760	(1,12,790)	3,35,396

3 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Secured considered good		
Unsecured, considered good		
- From others	-	19,88,451
	-	19,88,451
Trade Receivables - Significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	-	19,88,451
Less: Expected credit loss on financial assets		-
	-	19,88,451

Trade receivables ageing schedulefor 31 March 2024

Particulars	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	-	-	-	-	-
credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Trade receivables ageing schedulefor 31 March 2023

Particulars	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Receivables - considered good	19,88,451	-	-	-	-	19,88,451
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

4 Cash and bank balances

	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Balances with banks		
- On current accounts	1,04,387	2,18,21,950
Cash on hand	-	-
Deposits with bank with maturity of less than 3 months	4,24,38,097	
	4,25,42,484	2,18,21,950
Bank balances other than above		
Deposits with bank with maturity period from 3 to 12 months	-	-
	-	-

M. BORAR & CO.
314255E
CHARTERED ACCOUNTANTS

5 Other assets

	As at 31 March 2024	As at 31 March 2023
Current		
(Unsecured, considered good)		
Current Tax Asset, net	6,48,210	2,36,029
Balances with government authorities	3,92,340	3,58,575
Others	31,75,374	936
	42,15,924	**5,95,540**

6 Share capital

	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
Equity shares		
80,00,000 equity shares of ₹10 each	8,00,00,000	8,00,00,000
	8,00,00,000	**8,00,00,000**
Issued, subscribed and fully paid-up		
Equity shares		
80,00,000 equity shares (March 2023: 10000) of ₹10 each	8,00,00,000	1,00,000
	8,00,00,000	**1,00,000**
Subscribed and partly paid-up		
79,90,000 equity shares of ₹10 each, ₹5 paid up	-	3,99,50,000
	-	**3,99,50,000**

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

	March 31, 2024		March 31, 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	10,000	1,00,000	-	-
Add: Shares issued	79,90,000	7,99,00,000	10,000	1,00,000.00
Balance at the end of the year	**80,00,000**	**8,00,00,000**	**10,000**	**1,00,000**

b) Terms/right attached to equity shares

The Company has only one class of equity shares having par value of ₹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 General Meeting. In the event of liquidation of the Company, the holders of equity 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 equity shares held by the shareholders.

c) Details of shareholders holding more than 5% equity shares in the Company

	March 31, 2024		March 31, 2023	
	Number	% of holding	Number	% of holding
EKI Energy Services Limited	40,80,000	51%	5,100	51%
Shell Overseas Investments B.V.	39,20,000	49%	4,900	49%

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

7 Reserves and surplus

	As at 31 March 2024	As at 31 March 2023
Surplus in statement of profit and loss		
Balance at the beginning of the year	(1,76,63,451)	-
Add: Net Profit for the year	(1,73,26,581)	(1,76,63,451)
Balance at the end of the year	**(3,49,90,032)**	**(1,76,63,451)**
Other comprehensive income		
Balance at the beginning of the year	-	-
Add: Net Profit for the year	3,38,369	-
Balance at the end of the year	3,38,369	-
	(3,46,51,663)	(1,76,63,451)

Nature and purpose of reserves

Surplus in statement of profit and loss

Surplus in Statement of Profit and Loss represents the profits that the Company has earned till date.

M. BORAR & CO.
314255E
CHARTERED ACCOUNTANTS

8 **Trade Payables**

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other above	5,46,171	6,15,305
	5,46,171	**6,15,305**

9 **Other liabilities**

	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues	4,40,812	9,95,331
Other Current Liabilities	1,90,262	2,18,400
	6,31,074	**12,13,731**

10 **Provisions**

	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits		
- Gratuity, funded	6,66,377	6,47,417
	6,66,377	**6,47,417**
Current		
Provision for employee benefits		
Gratuity, funded	1,169	-
Audit Fees	85,500	
Bonus	-	11,129
	86,669	**11,129**

Gratuity

The Company has a funded defined benefit gratuity plan. Employees are eligible for gratuity benefits on termination or retirement in accordance with Payment of Gratuity Act, 1972. The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the plan.

M. BORAR & CO.
314255E
CHARTERED ACCOUNTANTS

Amrut Nature Solutions Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

11 Revenue from operations

	For the year ended March 31, 2024	For the year ended 31 March 2023
Revenue from contracts with customers		
(a) Sale of services - Project Advisory & Consultancy	43,41,601	23,60,109
	43,41,601	**23,60,109**

12 Other Income

	For the year ended March 31, 2024	For the year ended 31 March 2023
Profit on sale of laptop	43,528	-
Interest on FD Income	24,45,046	-
Interest on Income tax refund	11,582	-
	25,00,155	**-**

13 Employee benefits expense

	For the year ended March 31, 2024	For the year ended 31 March 2023
Salaries and wages	2,08,81,758	1,44,96,987
Gratuity	4,69,696	6,49,009
Bonus	-	11,129
Staff welfare expenses	-	6,99,678
	2,13,51,454.05	**1,58,56,803**

14 Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended 31 March 2023
- On Property, plant and equipment	2,51,821	2,436.00
- On Investment property	-	-
- On Right of use asset classified as Investment property	-	-
	2,51,821.00	**2,436**

15 Other expenses

	For the year ended March 31, 2024	For the year ended 31 March 2023
Legal & Certification Expenses	99,730	14,160.00
Interest on TDS payment	6,015	-
Other Expenses	11,458	2,17,789
Recruitment services	2,00,000	-
Statutory audit Fees	77,900	1,12,100
Supportive Services From EKI	19,14,119	14,85,795
Telephone & Mobile Expense	27,795	19,419
Tour & Travel Expense	3,68,964	12,06,395
Transfer Pricing Audit Expenses	35,000	-
Zoho Expenses	68,841	-

BORAR &

Preliminary and Pre-operative Expenses	-	10,73,481
Office expenses	-	2,410
IT Cost	-	2,36,198
	28,09,822.08	**43,67,747**

16 Earnings per equity share

		For the year ended March 31, 2024	For the year ended 31 March 2023
(a)	Net profit attributable to equity shareholders	(1,73,26,581)	(1,76,63,451)
(b)	**Computation of weighted average number of equity shares:**		
	Weighted average number of equity shares outstanding during the year	73,54,233	7,821
	Add: Effect of potential dilutive shares	-	29,10,768
	Weighted average number of equity shares adjusted for the effect of dilution	73,54,233	29,18,589
(c)	**EPES:**		
	Basic (in absolute ₹ terms)	(2.36)	(2,258.44)
	Diluted (in absolute ₹ terms)	(2.36)	(6.05)

17 The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.Outstanding as on 31st March is INR 0

17 Contingent liabilities

	As at 31 March 2024	As at 31 March 2023
Contingent Liabilities		
- Bank guarantees	-	-

18 Related party disclosures

a) Names of the related parties and nature of relationship

Name of the related parties	Nature of relationship
Mr. Manish Kumar Dabkara	Key Managerial Personnel ('KMP')
Mr. Ravi Sundrarajan	Key Managerial Personnel ('KMP')
Mr. Arsalan Kazeem Khan	Key Managerial Personnel ('KMP')
Mr. Ashwani Jamed	Key Managerial Personnel ('KMP')
Mr. Naveen Sharma	Key Managerial Personnel ('KMP')
Shell Overseas Investments B.V.	Concerns which hold sunstantial interest in the company
EKI Energy Services Limited	Concerns which hold sunstantial interest in the company

b) Transactions with related parties

	For the year period 31 March 2024	or the year period 31 March 2023
I. Expenses (Others)		
EKI Energy Services Limited (Support Services)	19,14,119	14,85,795
II. Revenue from Operations		
EKI Energy Services Limited	43,41,601	23,60,109

c) Balances receivable/(payable)

	As on 31 March 2024	As on 31 March 2023
On Account of Trade Balances		
EKI Energy Services Limited	-	-
On Account of Investment		
EKI Energy Services Limited	4,08,00,000.00	2,04,25,500.00
Shell Overseas Investments B.V.	3,92,00,000.00	1,96,24,500.00

M. BORAR & CO. ★ CHARTERED ACCOUNTANTS ★ 314255E

Amrut Nature Solutions Private Limited
Summary of significant accouting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

19 **Fair value measurements**

(i) **Financial instruments by category**

	As at 31 March 2024		As at 31 March 2023	
	FVTPL	Amortised	FVTPL	Amortised cost
Financial assets				
Investments	-	-	-	-
Security deposits	-	-	-	-
Trade receivables	-	-	-	19,88,452
Cash and cash equivalents	-	4,25,42,484	-	2,18,21,950
Other bank balances	-	-	-	-
Financial liabilities				
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-

The Company's principal financial liabilities comprise of trade and other payables and the Company's principal financial assets include investments in mutual funds, trade and other receivables and cash and cash equivalents that derive directly from its operations.

(ii) The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair

For the financial assets measured at fair values, the carrying amounts are equal to the fair values.

(iii) **Valuation technique used to determine fair value:**

The fair value of the financials assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a. The use of directly observable unquoted prices received from the respective mutual funds.

(iv) **Fair Value hierarchy:**

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy, of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2024, 31 March 2023 and 1 April 2022:

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2024:

Particulars	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL			
Investments	-	-	-

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2023:

Particulars	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL			
Investments	-	-	-

Quantitative disclosures of fair value measurement hierarchy as at 1 April 2022:

Particulars	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL			
Investments	-	-	-

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20 Financial Risk Management objectives and policies:

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

(i) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows of a financial instrument that will fluctuate because of changes in market rates and prices.

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's investment in deposits with banks are for short durations and therefore do not expose the Company to significant interest rate risk.

The Company's policy is to manage its interest rate risk by investing in fixed deposits. Further, as there are no borrowings, the company's policy to manage its interest cost does not arise.

The company does not have any assets or liabilities which have exposure to fixed rate and variable rate instruments at the end of the reporting period.

(b) Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of change in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency).

The Company has transactional currency exposures arising from goods sold/purchased or services provided/availed that are denominated in a currency other than the functional currency.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company based on working capital requirement keeps its liquid funds in current accounts. Excess funds are invested in current instruments.

(ii) Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits) and from its investing activities, including deposits with banks and other financial instruments.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

(a) Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

(b) Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

(c) Financial assets that are neither past due nor impaired:

None of the Company's cash equivalents, other bank balances, security deposits and other receivables were past due or impaired as at 31 March 2024. Trade and other receivables including loans that are neither past due nor impaired are from creditworthy debtors. Cash and short-term deposits investment securities that are neither past due nor impaired, are placed with or entered with reputable banks or financial institutions or companies with high credit ratings and no history of default.

(d) Financial assets that are either past due or impaired:

The Company doesn't have any significant trade receivables or other financial assets which are either past due or impaired. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk. The Company's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

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20 **Financial Risk Management objectives and policies (continued):**

(iii) **Liquidity risk:**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position comprising the cash and cash equivalents including other bank balances and investments in fixed deposit on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2024:

	On Demand	Upto 1 year	1 to 5 years	After 5 years
Borrowings	-	-	-	-
Trade payables		5,46,171		
	-		-	-
Other financial liabilities	-	-	-	-

21 **Capital management**

Capital includes equity capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

The Company monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

	As at	
	31 March 2024	31 March 2023
Borrowings #	-	-
Net Debt	-	-
Total equity	4,53,48,337	2,23,86,549
Equity and net debt	4,53,48,337	2,23,86,549
Gearing ratio	0.00%	0.00%

Total Borrowings include long-term borrowing, current maturities of long-term borrowings and working capital loans like cash credit and buyer's credit.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call back loans and borrowings.

There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current period.
No changes were made in the objectives, policies or processes for managing the capital during the year ended 31 March 2024.

22 **Segment reporting**

The Company is in to advisory and carbon offsetting services for Nature Bases Solutions The Board of Directors of the Company have identified the CEO being the chief operating decision maker(CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicators of the Companyas as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

(i) **Analysis of Company's revenues (excluding other income) based on the geography**

	For the year ended	
	31 March 2024	31 March 2023
- Domestic	43,41,601	23,60,109
- Exports	-	-
	43,41,601	23,60,109

(ii) **Analysis of Company's non-current assets (other than financial instruments and deferred tax assets) based on geography**

	For the year ended	
	31 March 2024	31 March 2023
- In India	1,84,824	2,66,356
- Outside India	-	-
-	1,84,824	2,66,356.00

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23 Dues to Micro and small enterprises

The Micro, Small and Medium Enterprises have been identified on the basis of the information available with the Company. This has been relied upon by the auditors. Dues to such parties are given below:

	As at	
	31 March 2024	**31 March 2023**
(a) The principal amount remaining unpaid as at the end of the year	-	-
(b) The amount of interest accrued and remaining unpaid at the end of the	-	-
(c) Amount of interest paid by the Company in terms of Section 16, of (MSMED Act, 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-
(d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act, 2006).	-	-
(e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act, 2006).	-	-

This is the summary of significant accounting policies and other explanatory notes referred to in our report of even date.

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Amrut Nature Solutions Private Limited
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2024

NOTE: RATIOS

Additional Information reportable as per Schedule III of the Companies Act 2013

Ratios to be disclosed	Numerator			Denominator			Ratio	Ratio	% Change in Ratio
	Particulars	Amount in Rs	Amount in Rs	Particulars	Amount in Rs	Amount in Rs			
		31-03-2024	31-03-2023		31-03-2024	31-03-2023	31-03-2024	31-03-2023	
Current ratio (in times)	Total current assets	46758408	24405941	Total current liabilities	19,30,291	24,89,174	24.22	9.80	147%
Debt-Equity ratio (in times)	Debt consists of long term borrowings & short term borrowings	0	0	Total equity			-	-	0%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	0	0	Debt service = Interest and lease payments + Principal repayments	-	-	-	-	0%
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	-17571341	-17866877	Average total equity	8,00,00,000	4,00,50,000	21.96%	-14.61%	-51%
Inventory Turnover Ratio (in times)	Cost of Goods sold + direct expenses + change in inventories	0		Average inventory	-	-	-	-	0%
Trade receivables turnover ratio (in times)	Revenue from operations	0		Average trade receivables	-			-	0%
Trade payables turnover ratio (in times)	Cost of Goods sold + direct expenses + change in inventories	0		Average trade payables	-	-	-	-	0%
Net capital turnover ratio (in times)	Revenue from operations	4341601	2360109	Working capital (i.e. Total current assets less Total current liabilities)	4,48,28,117	2,19,16,767	0.10	0.11	-10%
Net profit ratio (in %)	Profit for the year	-17571341	-17866877	Revenue from operations	43,41,601	23,60,109	-404.72%	-757.04%	-47%
Return on capital employed (in %)	Profit before tax and finance costs	0	0	Capital employed = Net worth + Lease liabilities - Deferred tax assets	-	-	-	-	0%
Return on investment (in %) (Non-Liquid investments)	Income generated from funds invested in non-liquid assets	0	0	Average funds invested in non-liquid assets (Monthly Average)	-	-	-	-	0%
Return on investment (in %) (Liquid investments)	Income generated from funds invested in liquid assets	0	0	Average funds invested in liquid assets (Monthly Average)	-	-	-	-	0%

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NOTES

Forming part of the Financial Statements

1. Corporate Information

Amrut Nature Solutions Private Limited (referred to as "AMRUT" or "the Company") is incorporated in the State of Madhya Pradesh, India. The registered office of the Company is Plot No. 48, Scheme No. 78, Vijay Nagar, Indore. The Company is mainly in the following businesses:

a) Carbon credit offsetting and carbon advisory services
b) Implementation and Development of carbon credit eligible projects

2. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

3. Basis of Preparation

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss 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 items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

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These standalone financial statements have been prepared in Indian Rupee (`) which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

4. **Use of estimates and judgements**

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its standalone financial statements:

(a) **Revenue recognition:** Revenue for fixed-price contracts is recognized when the performance obligation related to the standalone transaction price is satisfied by the company. The Company uses judgement to estimate the performance obligation related to the standalone transaction price.

(b) **Useful lives of property, plant and equipment**: The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(c) **Impairment of investments in subsidiaries:** The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(d) **Fair value measurement of financial instruments**: When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing

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fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) **Provision for income tax and deferred tax assets**: The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(f) **Provisions and contingent liabilities**: The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognized when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are not recognized in the standalone financial statements.

(g) **Employee benefits**: The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

(h) **Project Wise Expenditure:** In certain contracts, basis terms, we recover / claim (a) Out of pocket expenses (b) reimbursement of direct expenses attributable to project (c) Overhead expenses indirectly attributable to the project. In cases where expenditure as been incurred but recovery is pending, same is reclassed to current assets as "project recoverable expenses" in financials.

5. **Financial assets, financial liabilities and equity instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

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

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Investment in subsidiaries

Investments in subsidiaries are measured at cost less impairment loss, if any.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through

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a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used practical expedience by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix.

6. **Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing

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the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Company as a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

7. Non-Financial Assets and Non-Financial Liabilities

a) Property, Plant and equipment

i) Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any except for items covered by Ind-AS 116. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working conditions for the intended use.

Depreciation is provided for property, plant and equipment on a written down value method basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

ii) Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

iii) Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than it's carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

b) Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any. Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

c) Depreciation/ amortisation on property, plant and equipment/ intangible assets

Depreciable amount for property, plant and equipment/ intangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

i) Depreciation on property, plant and equipment is provided on a written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed lower than the life prescribed in Schedule II, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

ii) Premium on Leasehold Land and Leasehold Improvements are amortised over the period of Lease.

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iii) Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management.

d) Impairment of Property, plant and equipment / intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment is recognised in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset.

An impairment loss for an individual asset or cash generating unit are reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment losses are recognised in the statement of profit and loss.

e) Investment property

Investment property are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and impairment, if any.

Derecognition of property, plant and equipment /Intangibles/ Investment property

The carrying amount of an item of property, plant and equipment / intangibles/ investment property is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangibles /investment property is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

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f) Cash and cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand, balance at banks and bank deposits, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

g) Inventories

i) **Carbon Credits:** Carbon credits and other emission credits eligible for offset against carbon footprint are valued at cost or Net Realizable Value (NRV), whichever is lower. The trade in voluntary carbon market is entered by the company over the counter and considering the various parameters like credit Vintage, Technology, Project Location, Sustainable Development Goals etc. it is not feasible and practical to derive Net Realizable Value for every inventory. However, the NRV is computed based on the following premise and management estimate:

a. **Fixed Price Sale Contracts:** The company has certain fixed price sale contracts for various emission offset commodities, which is considered as NRV for the similar nature of technology and vintage credits.

b. **Open Market Pricing:** Prices from various market places and reports from various sources is considered by the management for arriving at Net Realizable Value.

c. **Recent Sale Transactions:** The recent sale transactions of the company in similar nature of credits and volume is also considered as a parameter for arriving at the Net Realizable Value.

If the company is still not able to arrive at NRV after considering these parameters, the inventory is valued at cost.

h) Financial Instruments

Financial instruments are any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) **Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

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ii) **Subsequent Measurement**

Financial assets

Financial assets are classified into the following specified categories: amortized cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised cost

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

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.

b. The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included with the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instrument included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

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Equity Investments

The Company subsequently measures all equity investments at cost or fair value, as per its accounting policies. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments are recognized in statement of profit and loss as other income when the Company's right to receive payment is established.

Derivative financial instruments

Derivative financial instruments are classified and measured at fair value through profit and loss.

Derecognition of financial assets

A financial asset is derecognized only when

i. The Company has transferred the rights to receive cash flows from the asset or the rights have expired or

ii. The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.
Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Impairment of financial assets

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

Financial liabilities and equity instruments

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

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Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at fair value through profit or loss (FVTPL) Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

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i) **Borrowings and Borrowing cost**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised as finance costs in the Statement of Profit and Loss.

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) **Provisions, contingent liabilities and contingent assets**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

k) **Revenue recognition**

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration for the respective performance obligation, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves

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judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

All revenues are accounted on accrual basis except to the extent stated otherwise.

i) **Revenue from Carbon Offsetting:** The revenue from Carbon Offsetting is recognized when the substantial risk and rewards are transferred by the company to the customer, and there is reasonable certainty that the consideration is either receivable or received.

ii) **Revenue from Services:** Revenue from services provided is recognized when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured taking into account, contractually defined terms of payment and satisfaction of substantial performance obligation.

iii) **Other Revenues** Other revenues are recognized on accrual basis as per the terms of the respective contract/arrangements and in accordance with the provisions of Ind AS 16: Revenue Recognition.

iv) Interest income from debt instruments is recognised using the effective interest rate (EIR) method.

v) Dividend income is recognised when the Company's right to receive dividend is established.

vi) Rent income is recognised on accural basis as per the agreed terms on straight line basis.

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I) Employee Benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides benefits such as gratuity, pension and provident fund (Company managed fund) to its employees which are treated as defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. The Company provides benefits such as superannuation and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Gratuity and pension

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at

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retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Provident fund

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. The Company also offers to contribute to New Pension Scheme at the option of employees. The Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain employees. The contributions are normally based on a certain proportion of the employee's salary.

m) Transactions in foreign currencies

i) The functional currency of the Company is Indian Rupees ("Rs.").

Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

n) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

i) **Current tax**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

ii) **Deferred tax**

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

o) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

p) Share based payments

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

q) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorized and is no longer at the discretion of the entity

r) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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s) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

8. Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallizing or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b. Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment, investment property and intangible assets at each financial year end.

c. Impairment testing

i) Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

ii) Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d. Tax

i) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until

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resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

ii) Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

iii) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

e. Fair value measurement

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

f. Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 41, 'Employee benefits'.

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