

M S Agrawal & Company

161, Agrawal Bhawan, M.T. Cloth Market, Indore-452002

Madhya Pradesh, India.

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Glofix Advisory Services Private Limited
F 101, 48 Scheme No.78, Part II, Indore-452001, India

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE COMPANY.

Opinion

We have audited the standalone financial statements of GLOFIX ADVISORY SERVICES PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss, (statement of changes in equity) and its cash flow and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the Standalone financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India of the net loss, total comprehensive loss and other financial information of the Company for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

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

Information other than the Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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



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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. On the basis of the management representation, information and explanations given to us and according to our examination, no funds of the company have been advanced/ loaned/ invested in any entity which is ultimate beneficiaries or received by the company



on behalf of entity which is ultimate beneficiaries. Similarly, company has not provide or receive any guarantee / security from such ultimate beneficiaries

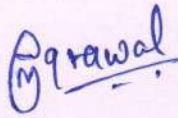
v. Company has declared dividend during the year.

vi. 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 been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.”

For M S Agrawal & Company

Chartered Accountants

(Firm's Registration No 023974C)



CA Mayur Agrawal

Partner

(Membership No. 437723)

Place of Signature: Indore

Date: 29/04/2024

UDIN: 24437723BKDFFL4386



**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF
OUR REPORT OF EVEN DATE TO THE MEMBERS OF GLOFIX ADVISORY
SERVICES PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED
31ST MARCH 2024**

1. a) The Company has maintained proper records using the accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software to show full particulars, including quantitative details and situation of its fixed assets and it is verified that company does not have any fixed asset as of this reporting period.
2. b) The fixed assets of the Company are physically verified by the management at regular intervals. During the year, as informed to us, no discrepancies have been noticed on such verification.
c) The title deeds of immovable properties are held in the name of the company.
3. The Company is engaged in the business of climate change & Sustainability advisory and carbon offsetting. The company does not have any inventory. Accordingly, provision under clause 3(ii) of the order are not applicable of the company.
3. The company had not granted unsecured loans to Companies, firms and parties covered in the register prescribed to be maintained under section 189 of the Companies Act, 2013.
4. The company has complied with the provisions of section 185 & 186 of the Act.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public.
6. We are informed that maintenance of cost records has not been prescribed by the Central Government under section 148 of The Companies Act, 2013, in respect of the activities carried on by the Company.
7. a) As per the records of the Company, the company is generally regular in depositing the statutory dues including provident fund, employees' state insurance, income tax, goods and service tax sales tax, cess and any other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amount in respect of income tax, goods and service tax, applicable to it, is outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us and on the basis of examination of records of the Company there is no provident fund, goods and service tax, income tax, cess which have not been deposited on account of dispute.



8. The Company has not defaulted in payments of any dues to financial institutions & banks.
9. According to the information and explanation given to us and the record examined by us, the Company has not raised any money by way of initial public offer or further public offer. Hence, clause 3(ix) of the order is not applicable.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the period covered by our audit.
11. The company has not paid any remuneration to its management as defined u/s 197 of the Act, therefore provisions of section 197 stands complied.
12. The Company is not Nidhi Company. Hence clause 3(xii) of the order is not applicable.
13. According to the information and explanation given to us and the record examined by us, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in financial statements etc., as required by the applicable accounting standards.
14. According to the information and explanation given to us and the record examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has complied with the provisions of section 192 of Companies Act, 2013 in respect of non-cash transactions with directors or persons connected with him.
16. The Company is not required to register under 45-IA of the Reserve Bank of India Act, 1934.
17. The Company has incurred any cash loss of Rs 67,54,771 during the year.
18. In our opinion and according to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.
19. On the basis of the financial ratios of company, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, Company has no material uncertainty exists as on the date of the audit report that company is 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;



20. According to information and explanation given to us and on the basis of our explanation of the company for the year ending of March 31, 2024 paragraphs 3(xx) of order are not applicable.

21. The company is not required to present Consolidated Financial Statements, therefore clause 3(xxi) is not applicable.

For M S Agrawal & Company

Chartered Accountants

(Firm's Registration No 023974C)



CA Mayur Agrawal

Partner

(Membership No. 437723)

Place of Signature: Indore

Date: 29/04/2024

UDIN: 24437723BKDFFL4386



ANNEXURE “B” REFERRED TO IN PARAGRAPH (f) UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GLOFIX ADVISORY SERVICES PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

Independent Auditor’s report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the ‘Act’)

1. In conjunction with our audit of the financial statements of the Glofix Advisory Services Private Limited for the year ended 31 March 2024, we have audited the Internal Financial Controls Over Financial Reporting (IFCOFR) of the Company, which is a company covered under the Act, as at that date.
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.

Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company are 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 (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (the ‘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 the company’s business, including adherence to the company’s policies, the safeguarding of the company’s 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

3. Our responsibility is to express an opinion on the IFCOFR of the company based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCOFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”), 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 IFCOFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCOFR and their operating effectiveness. Our audit of IFCOFR included obtaining an understanding of IFCOFR, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCOFR 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 IFCOFR 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 over Financial Reporting

7. Because of the inherent limitations of IFCOFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCOFR to future periods are subject to the risk that the IFCOFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 M S Agrawal & Company
Chartered Accountants
(Firm's Registration No 023974C)


CA Mayur Agrawal
Partner
(Membership No. 437723)
Place of Signature: Indore
Date: 29/04/2024
UDIN: 24437723BKDFFG3957
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Glofix Advisory Services 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
ASSETS			
Non-current assets			
Property, plant and equipment	1	2,30,607	2,99,106
Capital work-in-progress		-	-
Intangible Assets		-	-
Intangible Assets Under Development		-	-
Investment Property		-	-
Financial assets			
(i) Investments	2	75,81,482	64,60,284
(ii) Other financial assets		-	-
Deferred tax assets (net)	6	-	12,840
Non-current tax assets (net)		-	-
		78,12,089	67,72,231
Current assets			
Inventories		-	-
Financial assets			
(i) Investments		-	-
(ii) Trade receivables	3	2,60,711	6,73,711
(iii) Cash and cash equivalents	4	2,83,604	6,65,379
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
Other current assets	5	19,12,605	84,06,823
		24,56,921	97,45,913
Total assets		1,02,69,010	1,65,18,144
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	10,00,000	10,00,000
Other equity	8	17,14,394	84,69,165
Total equity		27,14,394	94,69,165
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings		-	-
Provisions		-	-
Other Non-Current Liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings	9	73,76,919	69,59,980
(ii) Trade payables		-	-
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues other than (i) (a) above		-	-
(iii) Other financial liabilities	10	49,000	49,000
Deferred tax assets (net)	6	82,369	-
Other current liabilities	11	46,327	39,998
Current tax liabilities, net	16	-	-
Provisions		-	-
Total Liabilities		75,54,615	70,48,978
Total Equity and Liabilities		1,02,69,010	1,65,18,144

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 S Agarwal & Co.
Chartered Accountants
Firm's Registration No.: 023974C

Agarwal
CA. Mayur Agarwal
Partner
Membership No.: 437723

For and on behalf of Board of Directors of
Glofix Advisory Services Private Limited

M. Dabkara
Manish Kumar Dabkara
Managing Director
DIN: 03496566

Sonali Shetty
Sonali Shetty
Director
DIN: 08219565

Place: Indore
Date: 29/04/2024

Place: Indore
Date: 29/04/2024



Glofix Advisory Services Private Limited

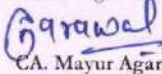
Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in ₹, except earnings per equity share and unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	12	-	3,50,000
Other income	13	4,30,502	3,45,396
Total income		4,30,502	6,95,396
Expenses			
Purchases		-	-
Changes in Inventory		-	-
Employee benefits expense		-	-
Finance costs	14	4,63,516	4,00,248
Depreciation expense	1	68,499	1,88,823
Other expenses	15	65,58,048	76,051
Total expenses		70,90,063	6,65,122
Profit before tax		(66,59,561)	30,275
Tax expense	16		
(a) Current tax		-	-
(b) Income Tax for Earlier Period		-	-
(c) Deferred tax expense	6	95,210	80,394
Total tax expense		95,210	80,394
Profit for the year		(67,54,771)	(50,120)
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be classified to profit/loss		-	-
Total other comprehensive income/(loss) for the year	17	-	-
Total comprehensive income for the year		(67,54,771)	(50,120)
Earnings per equity share (EPES)	18		
- Basic EPES (In absolute ₹ terms)		(67.55)	(0.50)
- Diluted EPES (In absolute ₹ terms)		(67.55)	(0.50)

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 S Agarwal & Co.**
Chartered Accountants
Firm's Registration No.: 023974C



CA. Mayur Agarwal
Partner
Membership No.: 437723



Place: Indore
Date: 29/04/2024

For and on behalf of Board of Directors of
Glofix Advisory Services Private Limited


Manish Kumar Dabkara
Managing Director
DIN: 082196566


Sonali Sheikh
Director
DIN: 082196685

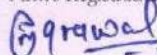
Place: Indore
Date: 29/04/2024

Glofix Advisory Services Private Limited
Statement of Cash Flows for the year 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	(66,59,561)	30,275
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation expense	68,499	1,88,823
Employee benefits expense	-	-
Interest income	(9,024)	(11,286)
Changes in fair value excluding net gain/ (loss) on sale of investments	(3,26,431)	(3,34,110)
Dividend income	-	-
(Gain)/loss on sale of investments	(94,767)	-
Loss on sale of fixed assets (net)	-	-
Operating profit before working capital changes	(70,21,284)	(1,26,299)
Adjustment for changes in working capital:		
Decrease in inventories	-	-
(Increase)/Decrease in trade receivables	4,13,000	(4,13,000)
Increase in other financial assets	-	-
(Increase)/Decrease in other assets	64,94,218	(64,40,637)
Increase in trade payables	-	(16,07,500)
Increase/(Decrease) in other financial liabilities	-	(7,97,000)
Decrease in other liabilities	6,329	(1,02,502)
Cash generated from operations	(1,07,737)	(94,86,938)
Income taxes paid	-	(27,493)
Net cash generated from operating activities	(1,07,737)	(95,14,431)
Cash flows used in investing activities		
Purchase of property, plant and equipment	-	-
Proceeds from sale of property, plant and equipment	-	-
Proceeds from sale of investments	12,00,000	-
Purchase of investments	(19,00,000)	-
Decrease/(increase) in other bank balances	-	-
Interest received	9,024	11,286
Dividend received	-	-
Net cash flow used in investing activities	(6,90,976)	11,286
Cash flows from financing activities		
Increase/(decrease) in borrowings	4,16,939	69,59,980
Net cash flow from/used in financing activities	4,16,939	69,59,980
Net (decrease)/increase in cash and cash equivalents	(3,81,774)	(25,43,165)
Cash and cash equivalents at the beginning of the year	6,65,379	32,08,544
Cash and cash equivalents at the end of the year	2,83,605	6,65,379
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash on hand	1,38,448	1,38,448
Balances with banks:		
- On current accounts	1,02,472	1,04,247
- On deposit accounts	42,684	4,22,684
Total cash and cash equivalents (note 4)	2,83,605	6,65,379

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

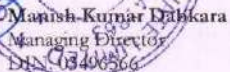
For M S Agarwal & Co.
Chartered Accountants
Firm's Registration No.: 023974C


CA. Mayur Agarwal
Partner
Membership No.: 437723



Place: Indore
Date: 29/04/2024

For and on behalf of Board of Directors of
Glofix Advisory Services Private Limited


Manish Kumar Dabkara
Managing Director
DIN: 083406566


Sonali Shekh
Director
DIN: 08219865

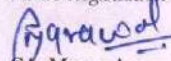
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Glofix Advisory Services Private Limited
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(All amounts in ₹, unless otherwise stated)

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Loss on sale of fixed assets (net)	-	-
Operating profit before working capital changes	(70,21,284)	(1,26,299)
Adjustment for changes in working capital:		
Decrease in inventories	-	-
(Increase)/Decrease in trade receivables	4,13,000	(4,13,000)
Increase in other financial assets	-	-
(Increase)/Decrease in other assets	64,94,218	(64,40,637)
Increase in trade payables	-	(16,07,500)
Increase/(Decrease) in other financial liabilities	-	(7,97,000)
Decrease in other liabilities	6,329	(1,02,502)
Cash generated from operations	(1,07,737)	(94,86,938)
Income taxes paid	-	(27,493)
Net cash generated from operating activities	(1,07,737)	(95,14,431)
Cash flows used in investing activities		
Purchase of property, plant and equipment	-	-
Proceeds from sale of property, plant and equipment	-	-
Proceeds from sale of investments	12,00,000	-
Purchase of investments	(19,00,000)	-
Decrease/(increase) in other bank balances	-	-
Interest received	9,024	11,286
Dividend received	-	-
Net cash flow used in investing activities	(6,90,976)	11,286
Cash flows from financing activities		
Increase/(decrease) in borrowings	4,16,939	69,59,980
Net cash flow from/used in financing activities	4,16,939	69,59,980
Net (decrease)/increase in cash and cash equivalents	(3,81,774)	(25,43,165)
Cash and cash equivalents at the beginning of the year	6,65,379	32,08,544
Cash and cash equivalents at the end of the year	2,83,605	6,65,379
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash on hand	1,38,448	1,38,448
Balances with banks:		
- On current accounts	1,02,472	1,04,247
- On deposit accounts	42,684	4,22,684
Total cash and cash equivalents (note 4)	2,83,605	6,65,379

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

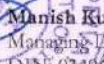
For M S Agarwal & Co.
Chartered Accountants
Firm's Registration No.: 023974C

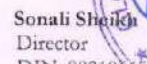

A. Mayur Agarwal
Partner
Membership No.: 437723



Place: Indore
Date: 29/04/2024

For and on behalf of Board of Directors of
Glofix Advisory Services Private Limited


Manish Kumar Dabkara
Managing Director
DIN: 03496566


Sonali Shengh
Director
DIN: 08219665



Place: Indore
Date: 29/04/2024

Glofix Advisory Services Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

1. (a) Tangible assets

Particulars	Plant and machinery	Data processing equipment	Furniture and fittings	Total
Deemed carrying amount				
As at 1 April 2022	1,12,790	4,62,958	3,42,768	9,18,516
Additions	-	-	-	-
Disposals/retirement	-	-	-	-
As at 31 March 2023	1,12,790	4,62,958	3,42,768	9,18,516
Additions	-	-	-	-
Disposals/retirement	-	-	-	-
As at 31 March 2024	1,12,790	4,62,958	3,42,768	9,18,516
Accumulated depreciation				
As at 1 April 2022	50,026	3,23,042	57,519	4,30,587
Charge for the year	35,225	79,757	73,841	1,88,823
Adjustments for disposals/retirement	-	-	-	-
Up to 31 March 2023	85,251	4,02,799	1,31,360	6,19,410
Charge for the year	13,771	-	54,728	68,499
Adjustments for disposals/retirement	-	-	-	-
Up to 31 March 2024	99,022	4,02,799	1,86,088	6,87,909
Net block				
As at 31 March 2024	13,768	60,159	1,56,680	2,30,607
As at 31 March 2023	27,539	60,159	2,11,408	2,99,106
As at 1 April 2022	62,764	1,39,916	2,85,249	4,87,929



Glofix Advisory Services Private Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless otherwise stated)

2 Investments

	As at 31 March 2024	As at 31 March 2023
Non-current		
Investment in Mutual Funds		
SBI Liquid Fund	52,16,577	42,43,261
SBI Overnight Fund	23,64,905	22,17,023
	75,81,482	64,60,284
Aggregate amount of quoted investments	75,81,482	64,60,284
Aggregate amount of un-quoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

3 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Secured considered good		
Unsecured, considered good		
- From others	2,60,711	6,73,711
Unsecured, considered doubtful		
	2,60,711	6,73,711
Less: Expected credit loss on financial assets	-	-
	2,60,711	6,73,711

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	1,02,472	1,04,247
- Debit balance in overdraft account	-	-
Cash on hand	1,38,448	1,38,448
Deposits with bank with maturity of less than 3 months	42,684	4,22,684
Earmarked Balances with Bank		
	2,83,604	6,65,379
Bank balances other than above		
Deposits with bank with maturity period from 3 to 12 months	-	-
	2,83,604	6,65,379

5 Other assets

	As at 31 March 2024	As at 31 March 2023
Current		
(Unsecured, considered good)		
Advances to vendors	-	-
Short Term Advances	-	65,00,000
Balances with government authorities	19,12,605	19,06,823
Others		
	19,12,605	84,06,823



Glofix Advisory Services Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

6 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 financial books	89,813	1,02,867
Fair Valuation of Investments	(1,72,182)	(90,026)
Provision for gratuity	-	-
	(82,369)	12,840

Movement in deferred tax assets:

	As at 31 March 2023	Charge/ (credited) to Statement of Profit and Loss	Other Comprehensive Income	MAT Credit utilisation	As at 31 March 2024
(i) Property plant and equipment	1,02,867	(13,054)	-	-	89,813
(ii) Fair Valuation of Investments	(90,026)	(82,156)	-	-	(1,72,182)
(iii) Employee benefits	-	-	-	-	-
	12,840	(95,210)	-	-	(82,369)

	As at 31 March 2022	Charge/ (credited) to Statement of Profit and Loss	Other Comprehensive Income	MAT Credit utilisation	As at 31 March 2023
(i) Property plant and equipment	99,172	3,695	-	-	1,02,867
(ii) Fair Valuation of Investments	(5,937)	(84,089)	-	-	(90,026)
(iii) Employee benefits	-	-	-	-	-
	93,235	(80,394)	-	-	12,840

7 Share capital

	As At 31 March 2024	As at 31 March 2023
Authorised share capital		
Equity shares		
100,000 (31 March 2023: 100,000) equity shares of ₹10 each	10,00,000	10,00,000
	10,00,000	10,00,000
Issued, subscribed and fully paid-up		
Equity shares		
100,000 (31 March 2023: 100,000) equity shares of ₹10 each	10,00,000	10,00,000
	10,00,000	10,00,000

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

	31 March 2024		31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
Add: Shares issued	-	-	-	-
Balance at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

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

	31 March 2024		31 March 2023	
	Number	% of holding	Number	% of holding
EKI Energy Services Limited	51,000	51.00%	51,000	51.00%
Mr. Manish Dabkara	10,000	10.00%	10,000	10.00%
Mrs. Vidhaya Dabkara	22,000	22.00%	22,000	22.00%
Mr. Naveen Sharma	17,000	17.00%	17,000	17.00%

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.



8 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	84,69,165	85,19,285
Add: Net Profit for the year	(67,54,771)	(50,120)
Balance at the end of the year	17,14,394	84,69,165
Security Premium Reserve		
Balance at the beginning of the year	-	-
Add: Received during the year	-	-
Less: Share issue expenses	-	-
Balance at the end of the year	-	-
	17,14,394	84,69,165

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.

General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve is freely available for use by the Company.

9 Borrowings

	As at 31 March 2024	As at 31 March 2023
(a) Non current borrowings		
Secured	-	-
	-	-
(b) Current		
Secured		
Loans repayable on demand	-	-
- Working capital loan from banks	-	-
Current maturities of long term borrowings	-	-
Unsecured		
Others	73,76,919	69,59,980
	73,76,919	69,59,980
	73,76,919	69,59,980

10 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Other liabilities	49,000	49,000
Staff Liabilities	-	-
Unpaid Dividends	-	-
Provision for expenses	-	-
	49,000	49,000

11 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Advances received from customers	-	-
Statutory dues	46,327	39,998
	46,327	39,998



Glofix Advisory Services Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

12 Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers		
(a) Sale of products - Carbon credits	-	-
(b) Sale of services		
- Project Implementation and Development Services	-	-
- Business Excellence Advisory & Training Services	-	3,50,000
- Electrical Safety Audits	-	-
	-	3,50,000
(i) Reconciliation of transaction price and amounts allocated to performance obligations:		
	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue at contracted price	-	3,50,000
Less: Adjustments	-	-
Total revenue from contracts with customers	-	3,50,000
(ii) Disaggregation of revenue		
Revenue based on Geography		
	For the year ended 31 March 2024	For the year ended 31 March 2023
- Domestic	-	-
- Export	-	-
Total revenue from operations	-	-

(iii) Contract balances

	As at 31 March 2024	As at 31 March 2023
Trade receivables (refer note 3)	-	6,73,711
Contract liabilities		
Advances from customers	-	-

13 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets measured at amortised cost	9,024	11,286
Income from investments		
- Net gains on fair value changes	3,26,431	3,34,110
- Gain on sale of investments	94,767	-
- Dividend income	-	-
Other non-operating income		
- Rental income	-	-
- Others	280	-
	4,30,502	3,45,396

14 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest cost on financial liabilities measured at amortized cost	4,63,266	3,99,978
Other borrowing costs		
- Bank charges and commission	250	270
	4,63,516	4,00,248

1 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
- On Property, plant and equipment	54,728	68,499
- On Investment property	-	-
- On Right of use asset classified as Investment property	-	-
	54,728	68,499



15 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Payments to the auditors as		
- Audit fee	15,000	15,000
Legal and professional charges	20,175	20,300
EMD write off	65,00,000	-
Miscellaneous expenses	22,873	40,751
	65,58,048	76,051

16 Income taxes

	For the year ended 31 March 2024	For the year ended 31 March 2023
Statement of Profit and Loss		
Current tax expense	-	-
Income Tax for earlier period	-	-
Deferred tax expense	95,210	80,394
Income tax expense reported in the Statement of Profit and Loss	95,210	80,394

Reconciliation of tax expense and the accounting profit multiplied by India's domestic corporate tax rate for the year ended 31 March 2024 and 31 March 2023:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year	(66,59,561)	30,275
Tax rate applicable to the Company	25.17%	25.17%
Tax expense on net profit	(16,76,078)	7,620
Increase/(decrease) in tax expenses on account of:		
(i) Other allowances	16,76,078	(7,620)
(ii) Other adjustments	-	-
(ii) Interest on Tax	-	-
	16,76,078	(7,620)
Tax as per normal provision under Income tax	-	-

The following table provides the details of income tax

	As at 31 March 2024	As at 31 March 2023
Tax assets		
Advance tax	-	-
	-	-
Current tax liabilities, net		
	As at 31 March 2024	As at 31 March 2023
Current tax liabilities, net of Advance Tax	-	-
	-	-

17 Other comprehensive income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial gain/(losses) on post employment benefit expenses	-	-
Taxes on above	-	-
	-	-

18 Earnings per equity share

	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Net profit attributable to equity shareholders	(67,54,771)	(50,120)
(b) Computation of weighted average number of equity shares:		
Weighted average number of equity shares outstanding during the year	1,00,000	1,00,000
Add: Effect of potential dilutive shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	1,00,000	1,00,000
(c) EPES:		
Basic (in absolute ₹ terms)	(67.55)	(0.50)
Diluted (in absolute ₹ terms)	(67.55)	(0.50)



19 Contingent liabilities

	As At	
	31 March 2024	31 March 2023
Contingent Liabilities		
- Bank guarantees	-	-
- Other money for which the company is contingently liable	-	-

20 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. Naveen Sharma	
Mrs. Sonali Sheikh	
EKI Energy Services Limited	Entities in which KMP have Significant influence
EKI Energy Services Limited	Holding Company

b) Transactions with related parties

	For the year ended	
	31 March 2024	31 March 2023
I. Loans and Advances Received / (Repaid)		
EKI Energy Services Limited	-	66,00,000
II. Interest on Loan		
EKI Energy Services Limited	4,63,266	3,99,978

c) Balances receivable/(payable)

	As At	
	31 March 2024	31 March 2023
On account of loans & Advances:		
EKI Energy Services Limited	(73,76,919)	(69,59,980)



Glofix Advisory Services Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

21 Fair value measurements

(i) Financial instruments by category

	As at			
	31 March 2024		31 March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	75,81,481.99	-	64,60,284.06	-
Security deposits	-	-	-	-
Trade receivables	-	2,60,711	-	6,73,711
Cash and cash equivalents	-	2,83,604	-	6,65,379
Other bank balances	-	-	-	-
Financial liabilities				
Borrowings	-	73,76,919	-	69,59,980
Trade payables	-	-	-	-
Other financial liabilities	-	49,000	-	49,000

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 value.
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:

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	-	75,81,482	-

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	-	64,60,284	-



22 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. The Company is exposed to market risk primarily related to interest rate risk. Thus, the Company's exposure to market risk is a function of investing and operating activities in foreign currencies.

(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. Further, the terms loans availed by the Company carries a fixed interest rate and therefore not subject to interest rate risk since neither the carrying value nor the future cash flows will fluctuate because of the change in market interest rates.

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

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt.

The exposure of the Company to fixed rate and variable rate instruments at the end of the reporting period are as follows:

	As at	
	31 March 2024	31 March 2023
Fixed rate instruments		
Financial assets		
Deposits with banks	42,683.94	4,22,683.94
Financial liabilities		
Vehicle loans from banks	-	-
Variable rate instruments		
Financial liabilities		
Working capital loans	-	-

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the variable rate instruments. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

	Change in basis points	31 March 2024	31 March 2023
Increase in basis points	50.00	-	-
Decrease in basis points	(50.00)	-	-

(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.

Foreign currency exposure as at each reporting date:

	As at			
	31 March 2024		31 March 2023	
	Foreign currency	₹	Foreign currency	₹
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-

(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.

The following table demonstrates the sensitivity of the Company's un-quoted investments on the profit [increase/(decrease)] for the period. The analysis is based on the assumption that net asset values has increased or decrease by 10%, with all other variables held constant.

Particulars	Change	31 March 2024	31 March 2023
<i>Net Asset value sensitivity</i>			
- Increase by	10.00%		
- Decrease by	-10.00%		



(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.

22 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 mutual funds 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 3 years	After 3 years
Borrowings	-	73,76,919	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	49,000	-	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2023:

	On Demand	Upto 1 year	1 to 3 years	After 3 years
Borrowings	-	69,59,980.00	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	49,000	-	-

23 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 #	73,76,919	69,59,980
Less: Cash and cash equivalents (including other bank balances)	2,83,604	6,65,379
Net Debt	70,93,315	62,94,601
Total equity	92,14,394	94,69,165
Equity and net debt	21,21,079	31,74,564
Gearing ratio	334.42%	198.28%

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



Glofix Advisory Services Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹, unless otherwise stated)

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 and 31 March 2023.

24 Segment reporting

The Company is into climate change & sustainability advisory and carbon setting, along with business excellence services which includes ISO certification, management training on JIT / Kaizen etc., and electrical safety audits. The Board of Directors of the Company have identified the Managing Director as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicators of the Company 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		3,50,000
- Exports		-
	-	3,50,000

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

	As at	
	31 March 2024	31 March 2023
- In India	78,12,089	67,59,390
- Outside India	-	-
	78,12,089	67,59,390

25 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 year	-	-
(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.

For M S Agarwal & Co.
Chartered Accountants
Firm's Registration No.: 023974C
CA. Mayur Agarwal
Partner
Membership No.: 437723

Place: Indore
Date: 29/04/2024



For and on behalf of Board of Directors of
Glofix Advisory Services Private Limited

M. Dabkara
Manish Kumar Dabkara **Naveen Sharma**
Managing Director Director DIN:
05496566 DIN: 07351558

Place: Indore
Date: 29/04/2024

Glofix Advisory Services Private Limited
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2024

NOTE 26: RATIOS

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

Ratios to be disclosed	Particulars	Numerator		Denominator		Ratio	
		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	24,56,921	97,45,913	75,54,615	70,48,978	0.33	1.38
Debt-Equity ratio (in times)	Debt consists of long term borrowings & short term borrowings	73,76,919	69,59,980	27,14,394	94,69,165	2.72	0.74
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	(66,53,258)	1,93,555	73,76,919	69,59,980	-0.90	0.03
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	(67,54,771)	(50,120)	60,91,780	94,94,225	-110.88%	-0.53%
Inventory Turnover Ratio (in times)	Cost of Goods sold = direct expenses + change in Inventories	-	-	-	-	-	-
Trade receivables turnover ratio (in times)	Revenue from operations	-	3,50,000	4,67,211	4,67,211	0.00	0.75
Trade payables turnover ratio (in times)	Cost of Goods sold = direct expenses + change in Inventories	-	-	92,163	5,38,749	0.00	0.00
Net capital turnover ratio (in times)	Revenue from operations	-	3,50,000	(50,97,695)	26,96,935	0.00	0.13
Net profit ratio (in %)	Profit for the year	(67,54,771)	(50,120)	-	3,50,000	0.00%	-14.32%
Return on capital employed (in %)	Profit before tax and finance costs	(61,96,045)	4,30,523	27,14,394	93,75,930	-228.27%	4.59%
Return on investments (in %) (Non-Liquid investments)	Income generated from funds invested in non-liquid assets	-	-	-	-	-	-
Return on investments (in %) (Liquid investments)	Income generated from funds invested in liquid assets	-	-	-	-	-	-



Glofix Advisory Services Private Limited

Significant Accounting Policies

Forming part of the Financial Statements for the FY ended 31st March 2024

1. Corporate Information

Glofix Advisory Services Private Limited (referred to as "GLOFIX" or "the Company") is incorporated in the State of Madhya Pradesh, India. The registered office of the Company is F 101, 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 amortised 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.



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



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.

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 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 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 its 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.
- 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.

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.

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.

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.

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.

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 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 115: 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 accrual basis as per the agreed terms on straight line basis.

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 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.

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.

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 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.

