



V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

Sarojini House(GF), 6 Bhagwan Das Road, New Delhi – 110 001
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INDEPENDENT AUDITOR'S REPORT

To the Members of

ZUARI ENVIEN BIOENERGY PRIVATE LIMITED

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Zuari Envien Bioenergy Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the period 28th July 2022 to 31st March 2023 then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards including Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

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

Information other than Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.



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Responsibilities of Management and those charged with governance for the financial statements

The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the 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 responsibility for the audit of 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 Standards on Auditing (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 Standards on Auditing (SAs), we exercise professional judgment and maintain professional scepticism 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 of the accompanying financial statements.



- 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 financial statements dealt with by this report are in agreement with books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e) On the basis of written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the company has not paid any managerial remuneration during the period.
2. 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 do not have any pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2023.
- iii. There were no amounts, which were required to be transferred during the period to the Investor Education and Protection Fund by the Company.
- iv. (i) The management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has also represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the period.
- vi. Since the proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 in respect of use of accounting software for maintaining books of accounts with requisite audit trail facility is applicable to the company w.e.f. April 1, 2023, reporting under rule 11(g) is also not applicable for the financial year ending 31st March 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W



(Deepak Gupta)
Partner

Membership No. 514856
ICAI UDIN : 23514856BGXDBH5772



Place : New Delhi
Date : 12th May 2023

"Annexure A" referred to in the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Zuari Envien Bioenergy Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub section of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and Guidance Note issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W**

**(Deepak Gupta)
Partner**

**Membership No. 514856
ICAI UDIN : 23514856BGXDBH5772**

**Place : New Delhi
Date : 12th May 2023**



"Annexure B" referred to in the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the shareholders of Zuari Envien Bioenergy Private Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit and the representation obtained from the management, we state that:

- i a) According to the information and explanations given by the management, the Company does not hold any property, plant & equipment and any intangible asset. Hence reporting under clause 3(i)(a) to 3(i)(d) of the Order is not applicable.
(e) There are no proceedings initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii a) The Company does not have any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable.
b) The Company does not have any working capital limit in excess Rs. 5 crores at any point of time during the period, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii During the period the Company has not made investments, provided guarantees, granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Hence reporting under clause 3(iii)(a) to (f) of the Order are not applicable.
- iv. The Company has not made any investments or advanced any loans, provided guarantees or security to any entity covered by the provisions of section 185 and section 186 of the Act. Hence, the provisions of clause 3(iv) of the Order is not applicable.
- v The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed deposits within the meanings of sections 73 to 76 of the Act and the Rules framed thereunder. Hence, the provisions of clause 3(v) of the Order are not applicable.
- vi The Central Government has not specified the maintenance of cost records under clause (1) of section 148 of the Companies Act, 2013, in respect of Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable.
- vii In respect of statutory dues
a) In our opinion, the Company has been generally regular in depositing undisputed statutory dues including income tax and other material statutory dues with the appropriate authorities. We are informed that there is no liability on the Company on account of goods and services tax (GST), provident fund, employees' state insurance, sales tax, service tax, duty of customs, excise duty and value added tax. There were no arrears of undisputed statutory dues as at 31st March, 2023, which were outstanding 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 the records of the companies examined by us, there are no dues as mentioned in (a) above which have not been deposited on account of dispute.
- viii Since this is the first year of incorporation of the Company, Hence, the provisions of clause 3(viii) of the Order are not applicable.
- ix a) The Company has not taken any borrowings during the period. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
b) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.
c) The Company has not taken any term loans during the period. Hence reporting under clause 3(ix)(c) of the Order is not applicable.
d) The Company has not raised any funds during the year. Hence reporting under clause 3(ix)(d) of the Order is not applicable.



- The Company does not have any subsidiaries, associates or joint ventures. Therefore, the provision of clause 3(ix)(e) and (f) of the Order are not applicable.
- x a) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the period. Hence reporting under clause 3(x)(a) of the Order is not applicable
b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period. Hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi a) No case of fraud by the Company or on the Company has been noticed or reported during the period under audit.
b) Since this is the first year of incorporation of the Company, Hence, the provisions of clause 3(xi)(b) of the Order are not applicable.
c) The Company has not received any whistle blower complaints during the period.
- xii The Company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order are not applicable.
- xiii In our opinion, the Company has complied with section 188 of the Act in respect of transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The Company is not required to form Audit Committee under section 177 of the Act, Therefore, the provisions of clause 3(xiii) with respect to section 177 of the Order are not applicable.
- xiv The Company does not have an internal audit system and is not required to have an internal audit system under the provisions Section 138 of the Companies Act, 2013. Therefore provisions of clause 3(xiv)(a) and (b) of the Order are not applicable.
- xv In our opinion, during the period, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, reporting under clause 3(xv) of the Order are not applicable.
- xvi In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order are not applicable.
(d) There is one Core Investment Company (CIC) as a part of Group which one is not required to register with Reserve Bank of India. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii The Company has incurred cash losses of Rs.1.19 lacs during the financial period.
- xviii There has been no resignation of the statutory auditors during the period. Hence reporting under clause 3 (xviii) of the Order is not applicable.
- xix On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W



(Deepak Gupta)
Partner

Membership No. 514856

ICAI UDIN : 23514856BGXDBH5772

Place : New Delhi
Date : 12th May 2023



ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
CIN: U24290HR2022PTC105523
Balance Sheet as at 31st March 2023

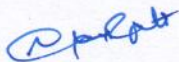
	Note No	Rs in lacs As at <u>31.03.2023</u>
ASSETS		
Non-Current Assets		
Property, Plant & Equipment		-
Capital Work-in progress (Preoperative expenses)		15.05
Deferred Tax Assets (Net)		-
Other Non-Current Assets		-
		<u>15.05</u>
Current Assets		
Inventories		-
Financial Assets		-
Trade Receivables		-
Cash and Cash Equivalents	3	0.91
Other Financial Assets		-
Other Current Assets	4	0.07
		<u>0.98</u>
Total		<u><u>16.03</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	5	1.00
Other Equity		(1.19)
		<u>(0.19)</u>
Liabilities		
Current Liabilities		
Trade Payables		
Dues to Micro and Small Enterprises		-
Dues to Other than Micro and Small Enterprises	6	1.15
Other Current Financial Liabilities	7	15.05
Other Current Liabilities	8	0.02
		<u>16.22</u>
Total		<u><u>16.03</u></u>

Significant Accounting Policies
Other Notes on Accounts

1 to 2

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

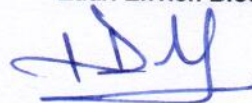


Deepak Gupta
Partner
Membership No. 514856

Place : New Delhi
Date : 12-05-2023



For and on behalf of the Board of Directors
Zuari Envien Bioenergy Private Limited



Nishant Dalal
Director
DIN : 08972330

Place: Gurugram
Date : 12-05-2023



Pinaki Mukherjee
Director
DIN : 01634639

Place: Gurugram
Date : 12-05-2023

ZUARI ENVIEEN BIOENERGY PRIVATE LIMITED
Statement of Profit and Loss for the period 28.07.2022 to 31.03.2023

	Note No	Rs in lacs <u>For the period 28.07.22 to 31.03.23</u>
<u>INCOME</u>		
Revenue from operations		-
Other Income		-
Total Income		<u>-</u>
<u>EXPENSES</u>		
Purchase of Goods		-
Increase / (Decrease) in Stock-in-Trade		-
Employee benefits expense		-
Finance Cost		-
Depreciation and amortisation		-
Other expenses	9	1.19
Total Expense		<u>1.19</u>
Profit / (Loss) for the year before taxation		<u>(1.19)</u>
Less : Tax expense		-
- Current tax		-
- Deferred tax		-
Profit / (Loss) for the year after taxation		<u>(1.19)</u>
Basic/Diluted Earnings per share (face value of Rs. 10/- each)	10	(17.00)
Significant Accounting Policies	1	
Other Notes on Accounts		

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W



Deepak Gupta
Partner
Membership No. 514856

Place : New Delhi
Date : 12-05-2023

For and on behalf of the Board of Directors
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DIN : 08972330

Place: Gurugram
Date : 12-05-2023



Pinaki Mukherjee
Director
DIN :01634639

Place: Gurugram
Date : 12-05-2023



ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
Cash Flow Statement for the period ended 31st March 2023

Rs in lacs

**For the
period
28.07.22 to
31.03.23**

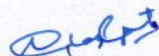
A. Cash flow from/(used in) operating activities	
Net profit/ (loss) before taxation	(1.19)
Adjustment for:	
Depreciation and amortisation	-
Interest Expense	-
Interest Income	-
Operating loss before working capital changes	<u>(1.19)</u>
Movements in working capital:	
Increase / (decrease) in trade payables	1.15
Increase / (decrease) in other current liabilities and provisions	0.02
(Increase) / Decrease in trade receivables	-
(Increase) / Decrease in loan and advances	-
(Increase) / Decrease in Inventories	-
(Increase) / Decrease in other current assets	(0.07)
Cash generated from/(used in) operations	<u>(0.09)</u>
Direct taxes paid (net of refund)	-
Net cash from/(used in) operating activities	<u>(0.09)</u>
B. Cash flow from/(used in) investing activities	
Net cash from/(used in) investing activities	<u>-</u>
C. Cash flow from financing activities	
Proceeds from issue of share capital	1.00
Net cash from financing activities	<u>1.00</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	0.91
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	<u><u>0.91</u></u>
Components of cash and cash equivalents	
Balances with scheduled banks:	
- In current accounts	0.91
	<u><u>0.91</u></u>

Note

The cash flow statement has been prepared under the indirect method as set out in the AS 3 "Cash Flow Statement"

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W



Deepak Gupta
Partner
Membership No. 514856

Place : New Delhi
Date : 12-05-2023

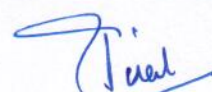


For and on behalf of the Board of Directors
Zuari Envien Bioenergy Private Limited



Nishant Dalal
Director
DIN : 08972330

Place: Gurugram
Date : 12-05-2023



Pinaki Mukherjee
Director
DIN :01634639

Place: Gurugram
Date : 12-05-2023

ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
CIN: U24290HR2022PTC105523

Statement of Changes in Equity

Rs in lacs

A. Equity Share Capital

Shares Issued during the period

Balance as at 31 March 2023

1.00

1.00

B. Other Equity

Particulars

Profit / (Loss) for the period

Balance as at 31 March 2023

Retained
earnings

Total

-1.19

-1.19

-1.19

-1.19

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W

For and on behalf of the Board of Directors
Zuari Envien Bioenergy Private Limited



Deepak Gupta
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Director
DIN :01634639

Place : New Delhi
Date : 12-05-2023

Place: Gurugram
Date : 12-05-2023

Place: Gurugram
Date : 12-05-2023



ZUARI ENVIEN BIOENEGRY PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 Mar 2023

1. Corporate information

Zuari Envien Bioenergy Private Limited ("the Company or ZEBPL") is a Private Limited Company incorporated on 28th July 2022 domiciled in India. It is set up as a wholly owned subsidiary of Zuari Industries Limited (ZIL) with an intention to convert the same into a Joint Venture entity between ZIL and Envien International Limited (Envien). The registered office of the Company is located at 5th Floor, Tower A, Global Business Park, M.G. Road, Sector-26, Gurugram, Haryana 122 002, India.

Zuari Industries Limited (ZIL) has entered into a Shareholder' Agreement and Securities Subscription Agreement, both dated 15th March 2023 with Envien International Limited (Envien), a body corporate incorporated and registered in Malta, (being part of Envien Group), with the intention to form a joint venture where ZEBPL will be the joint venture company.

The Company is set up with a common objective to jointly build and operate a fully grain based 150 Kilo litres per day Anyhydrous Alcohol Distillery and further explore the organic and inorganic business opportunities in the biofuel space in India through 50:50 Joint venture. The company has not started its business during the current financial year.

The financial statements were approved for issue in accordance with a resolution of the directors dated 12th May 2023.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a historical cost basis, except for the assets and liabilities which have been measured at fair value, as applicable.

The financial statements of the Company are presented in Indian Rupees (INR), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless otherwise stated.

2.2 Summary of significant accounting policies

a. Basis of classification of current and non-current

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.



b. Property, plant and equipment ('PPE')

PPE and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The cost of an item of PPE shall be recognised as an asset if, and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

c. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

d. Provisions, contingent liabilities and contingent assets

Contingent liabilities

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

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Assets

Contingent assets are not recognised but disclosed in the financial statements, where economic inflow is probable.

e. Taxes on income

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).



ZUARI ENVIEN BIOENEGRY PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 Mar 2023

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit or Loss (either in other comprehensive income or in equity). The Company offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

f. Earnings per share

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

g. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

h. Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value using best estimates. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets 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 at fair value through profit or loss are recognised immediately in the statement the profit and loss.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial assets, and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.



ZUARI ENVIEN BIOENEGRY PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 Mar 2023

i. Recent accounting pronouncement

Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- i. Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.
- ii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
- iii. Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.



ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
Notes on accounts for the period ended 31st March 2023

Rs in lacs
As at
31.03.2023

3 Cash and Cash Equivalents

Balances with scheduled banks in:
- Current accounts

0.91

0.91

4 Other Current Assets

GST Input credit

0.07

0.07

5 Share Capital

Authorized

10,000 Equity Shares of Rs. 10/- each

1.00

Issued, Subscribed and Paid-up

10,000 Equity Shares of Rs 10/- each fully paid-up

1.00

(a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

(b) Reconciliation of number of shares

Shares outstanding at the beginning of the year

Numbers

Additions during the year

-

Shares outstanding at the end of the year

10,000

10,000

(c) Shares held by each shareholder holding more than 5% shares & Promoters

Zuari Industries Limited (Holding Company)

Number of shares (Including shares held by nominee shareholders)

10,000

% holding

100.00%

6 Trade Payables

Dues to Micro and Small Enterprises

Dues to Other than Micro and Small Enterprises

1.15

(Undisputed, due for less than one year)

1.15

7 Other Current Financial Liability

Capital Creditors

15.05

15.05

8 Other Current Liabilities

TDS Payable

0.02

0.02



ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
Notes on accounts for the period ended 31st March 2023

Rs in lacs
As at
31.03.2023

9 Other Expenses

Bank charges	0.01
Legal & Professional expenses	15.31
Printing & Stationery	0.10
Rates & taxes	0.05
Staff refreshment expense	0.75
Others	0.02
Total	16.24
Less : Transferred to Pre-operative expenses	-15.05
	1.19

10 Earnings per Share

Profit / (Loss) after current and deferred tax	-1.19
Face value of equity shares (Rs. per share)	10.00
Weighted average number of equity shares of Rs.10/- each	0.07
EPS (Rs.) - Basic and Diluted (Not Annualised)	-17.00

Other Notes to accounts on financial statements for the period ended 31st March 2023

- 11 The Company has been incorporated as on 28th July 2022, hence there are no previous year figures.
- 12 The Company don't have any employees on its rolls as at 31.03.2023.
- 13 There are no contingent liabilities as at 31st March 2023.
- 14 The Company has not recognised deferred tax on business losses on account of prudence.

15 Related Parties

(disclosures as per Ind AS 24)

A. Related parties and their relationships

Zuari Industries Limited (Holding Company)
 Zuari Finserv Limited (Fellow Subsidiary)
 Mr. Pinaki Mukherjee (Director)

B. Transactions and closing balances with the above in the ordinary course of business

Zuari Industries Limited

Purchase of services	15.77
Balance payable as at 31.03.2023	15.77

Zuari Finserv Limited

Purchase of services	0.05
Balance payable as at 31.03.2023	0.05

Mr. Pinaki Mukherjee

Re-imburement of expenses	0.36
Balance payable as at 31.03.2023	0.36



ZUARI ENVIEN BIOENERGY PRIVATE LIMITED
CIN: U24290HR2022PTC105523

16 Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021, to the extent applicable

- i. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder,
- ii. The Company have not been sanctioned any type of borrowings from banks or financial institutions on the basis of security of its current assets.
- iii. No bank or financial institution has declared the company as "willful defaulter".
- iv. **Relationship with Struck off Companies:**
There are no transaction with the companies whose name struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023
- v. No layers of companies has been established beyond the limit prescribed as per above said section / rules.
- vi. No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

vii. Details in respect of Utilization of Borrowed funds and share premium shall be provided in respect of:

S No	Particulars	Description
1	Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.	No such transaction has taken place during the year
2	Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	

viii. Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

ix. Details of Crypto Currency or Virtual Currency

S No	Particulars	31-Mar-23
1	Profit or loss on transactions involving Crypto currency or Virtual Currency	No such transaction during the year
2	Amount of currency held as at the reporting date	
3	Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	

- 17 The Company has taken over the project of fully grain based 150 Kilo litres per day Anyhydrous Alcohol Distillery from its Holding Company. The Holding company had incurred expenses in the previous years towards setting up of this project mainly consisting of preliminary work like obtaining feasibility studies etc. The management has considered it reasonable to compensate the holding Company all such expenses aggregating to Rs. 15.05 lacs (treated as part of capital work in progress).

Annexure to our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208 W



Deepak Gupta
Partner
Membership No. 514856

Place : New Delhi
Date : 12-05-2023

For and on behalf of the Board of Directors
Zuari Envien Bioenergy Private Limited



Nishant Dalal
Director
DIN : 08972330

Place: Gurugram
Date : 12-05-2023



Pinaki Mukherjee
Director
DIN :01634639

Place: Gurugram
Date : 12-05-2023

