

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Ecopure Specialities Limited

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Ecopure Specialities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report (Refer Annexure 'A'). We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the 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 in the audit, or otherwise appears to be materially misstated.

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



## Responsibilities of Management and Board of Directors for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are 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 Board of Directors 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.

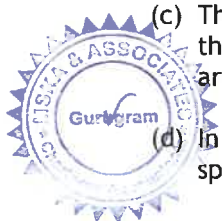
## Auditor's Responsibilities for the Audit of the Financial Statements

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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for audit of the financial statements.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



# MSKA & Associates

Chartered Accountants

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".
- (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.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (iv)(a) and (iv)(b) above, contain any material mis-statement.
  - v. The Company has neither declared nor paid any dividend during the year.
  - vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

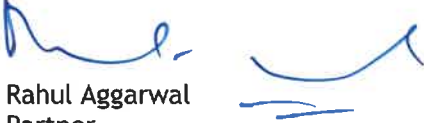


# MSKA & Associates

Chartered Accountants

3. In our opinion and according to information and explanations given to us, the remuneration paid and provided by the Company to its directors during the year is within the limits prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W



Rahul Aggarwal  
Partner  
Membership No. 505676  
UDIN: 24505676BKGPQF5380

Place: Gurugram  
Date: May 17, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED

### Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgement 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Director'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.



# MSKA & Associates

Chartered Accountants

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.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Rahul Aggarwal

Partner

Membership No. 505676

**UDIN: 24505676BKGPF5380**

Place: Gurugram

Date: May 17, 2024

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Ecopure Specialities Limited on the Financial Statements for the year ended March 31, 2024]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of Right-of-Use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible assets. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The inventory (excluding goods in transit) has been physically verified by the management during the year. In our opinion, the frequency of verification, the coverage & procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from Banks or Financial institutions on the basis of security of current assets and fixed assets. The quarterly revised returns and statements filed by the Company with such banks and financial institutions on aggregate basis are, except for few immaterial differences, in agreement with the unaudited books of account of the Company. Also refer Note 38 to the financial statements.



# MSKA & Associates

Chartered Accountants

- iii. According to the information provided to us, the Company has not made any investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable. Accordingly, the provisions stated under clause 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.
- vii.
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance and income tax, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities during the year.  
  
There are no undisputed amounts payable in respect of aforementioned statutory dues as at March 31, 2024 which are 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 Company examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of accounts which have been surrendered or disclosed as income during the year in Income-tax Assessments of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix.
  - (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.





# MSKA & Associates

Chartered Accountants

- (b) According to the information and explanations given to us and on the basis of our audit procedures performed, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money raised by way of term loans during the year. Accordingly, provision stated in clause 3(ix)(c) are not applicable to the company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations provided to us, the Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) to 3(ix)(f) of the order are not applicable to the Company.

x.

- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.

xi.

- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provision stated in clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii) of the Order are not applicable to the Company.



# MSKA & Associates

## Chartered Accountants

- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv.
- (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued by internal auditors during the audit.
- xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in clause 3(xv) of the Order are not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the reporting stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 34 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period



# MSKA & Associates

Chartered Accountants

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. According to the information and explanations given to us, the provisions of Section 135 of the Act, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, the provisions stated in clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W



Rahul Aggarwal  
Partner

Membership No. 505676

**UDIN: 24505676BKGPQF5380**

Place: Gurugram

Date: May 17, 2024

## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Ecopure Specialities Limited on the Financial Statements for the year ended March 31, 2024.]

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

We have audited the internal financial controls with reference to financial statements of Ecopure Specialities Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

#### Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W



Rahul Aggarwal  
Partner  
Membership No. 505676  
UDIN: 24505676BKGPQF5380

Place: Gurugram  
Date: May 17, 2024

**Ecopure Specialities limited**  
Balance sheet as at March 31, 2024

	Notes	March 31, 2024 (Rs. In Lakhs)	March 31, 2023 (Rs. In Lakhs)
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	4	1,651.10	1,941.00
Capital work-in-progress	4	-	9.45
Right of use assets	4 (a)	252.24	254.82
Financial assets			
i) Other financial asset	5 (a)	-	3.00
Deferred tax assets (net)	6	123.94	89.01
Current tax assets (net)	7	100.12	40.02
<b>Total non-current assets</b>		<b>2,127.40</b>	<b>2,337.30</b>
Current assets			
Inventories	8	2,777.28	3,433.34
Financial assets			
i) Trade receivables	5 (b)	1,019.15	518.62
ii) Cash and cash equivalents	5 (c)	15.84	29.18
iii) Other financial assets	5 (a)	112.32	37.88
Other current assets	9	660.75	724.14
<b>Total current assets</b>		<b>4,585.34</b>	<b>4,743.16</b>
<b>Total assets</b>		<b>6,712.74</b>	<b>7,080.46</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	10	475.09	475.09
Other equity			
Reserves and surplus	11	3,679.42	3,829.25
<b>Total equity</b>		<b>4,154.51</b>	<b>4,304.34</b>
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	12 (a)	210.41	648.13
ii) Lease Liabilities	12 (b)	20.61	20.61
Provisions	14	9.52	29.36
<b>Total non-current liabilities</b>		<b>240.54</b>	<b>698.10</b>
Current liabilities			
Financial liabilities			
i) Borrowings	12 (a)	1,790.67	1,252.47
ii) Lease Liabilities	12 (b)	-	-
iii) Trade payables			
a) total outstanding dues of micro and small enterprises	12 (c)	72.22	9.33
b) total outstanding dues other than (iii) (a) above	12 (c)	351.72	534.66
iv) Other financial liabilities	12 (d)	53.37	172.99
Other current liabilities	13	48.41	107.10
Provisions	14	1.30	1.47
<b>Total current liabilities</b>		<b>2,317.69</b>	<b>2,078.02</b>
<b>Total liabilities</b>		<b>2,558.23</b>	<b>2,776.12</b>
<b>Total equity and liabilities</b>		<b>6,712.74</b>	<b>7,080.46</b>

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.


For M S K A & Associates  
Chartered Accountants  
Firm Registration Number : 105047W



Rahul Aggarwal  
Partner  
Membership Number: 505676

Place: Gurugram  
Date : May 17, 2024

For and on behalf of the Board of Directors  
Ecopure Specialities Limited



Surinder Kumar Arora      Ashwani Kumar Arora  
Director                      Director  
DIN No. 01574728          DIN No. 01574773

Place: Gurugram  
Date : May 15, 2024

Place: Gurugram  
Date : May 15, 2024

Ecopure Specialities limited  
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	Year ended March 31, 2024 (Rs. In Lakhs)	Year ended March 31, 2023 (Rs. In Lakhs)
<b>Income</b>			
Revenue from operations	15	7,121.48	30,206.32
Other income and other gains	16	563.21	579.26
<b>Total income</b>		<b>7,684.69</b>	<b>30,785.58</b>
<b>Expenses</b>			
Cost of materials consumed	17	4,468.18	15,842.80
Purchase of stock-in-trade		994.15	5,580.62
Changes in inventories of finished goods, semi finished goods and stock-in-trade	18	80.54	907.48
Employee benefit expense	19	289.38	381.23
Finance costs	20	130.67	446.36
Depreciation and amortisation expense	21	394.05	413.28
Other expenses	22	1,677.49	6,307.93
<b>Total expenses</b>		<b>8,034.46</b>	<b>29,879.70</b>
<b>(Loss)/Profit before tax</b>		<b>(349.77)</b>	<b>905.88</b>
<b>Income tax expense</b>			
- Current tax	24	-	242.66
- Deferred Tax		(76.45)	(12.99)
<b>Total Tax expense</b>		<b>(76.45)</b>	<b>229.67</b>
<b>(Loss)/Profit for the year</b>		<b>(273.32)</b>	<b>676.21</b>
<b>Other Comprehensive Income</b>			
<u>1. Items that will not be reclassified to profit or loss:</u>			
Remeasurement of post employment benefit obligations {Gain / (Loss)}		14.34	(2.63)
Income tax relating to these items		(3.61)	0.66
<u>Items that will be reclassified to profit or loss:</u>			
Profit/(Loss) on cashflow hedge reserve	6	150.67	(142.41)
Income tax relating to these items		(37.91)	35.83
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>123.49</b>	<b>(108.55)</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>(149.83)</b>	<b>567.66</b>
<b>(Loss)/Earnings and diluted per equity share of Rs. 10 each :</b>			
Basic and diluted (Rs.)	23	(5.75)	18.39

The accompanying notes are an integral part of the financial statements.

This is the Statement of profit and Loss referred to in our report of even date.

For M S K A & Associates  
Chartered Accountants  
Firm Registration Number : 105047W



Rahul Aggarwal  
Partner  
Membership Number: 505676

Place: Gurugram  
Date : May 17, 2024

For and on behalf of the Board of Directors  
Ecopure Specialities limited



Surinder Kumar Arora      Ashwani Kumar Arora  
Director                      Director  
DIN No. 01574728        DIN No. 01574773

Place: Gurugram              Place: Gurugram  
Date : May 15, 2024        Date : May 15, 2024

**Ecopure Specialities limited**  
**Statement of Cash Flow For the Year ended March 31, 2024**

(Rs. In Lakhs)

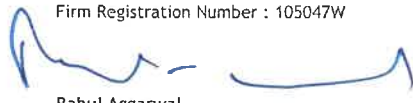
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
(Loss)/Profit before tax	(349.77)	905.88
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation and amortization expense	394.05	413.28
Interest income	(2.41)	(1.86)
Loss on Interest Swapping	-	(32.82)
Unrealised gain on foreign currency transaction	(3.20)	(43.09)
Provision on Employee Benefits	11.62	20.53
Finance cost	130.67	446.36
Profit on sale of property, plant and equipment	(3.34)	(1.49)
<b>Operating profit before working capital changes</b>	<b>177.62</b>	<b>1,706.79</b>
<b>Adjustment for (increase)/decrease in operating assets</b>		
Trade receivables	(497.34)	3,637.69
Inventories	656.06	1,117.23
Other financial assets	(25.82)	330.39
Other current assets	22.54	1,415.90
<b>Adjustment for increase/(decrease) in operating liabilities</b>		
Trade payables	(120.06)	(3,588.31)
Other financial liabilities	(10.57)	1.56
Other current liabilities	(58.69)	62.86
Provisions	(17.27)	(0.23)
<b>Cash generated from operations</b>	<b>126.47</b>	<b>4,683.90</b>
Income taxes paid (net of refunds)	(60.12)	(317.44)
<b>Net cash generated from operating activities</b>	<b>66.35</b>	<b>4,366.46</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant equipment and intangible assets (including capital work-in-progress)	(194.05)	(366.52)
Sale proceeds from property, plant and equipment	142.63	239.51
Interest received	2.30	1.86
Investment in fixed deposits	(0.40)	-
<b>Net cash used in investing activities</b>	<b>(49.52)</b>	<b>(125.15)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issuance of equity share capital	-	112.94
Securities premium	-	1,387.01
Proceeds repayment of non current borrowings	(437.72)	(3,777.22)
Proceeds from/(repayment) of Current borrowings (net)	538.20	(1,287.53)
Bank Charges	(10.52)	(19.63)
Payment towards lease liability	(2.58)	(2.58)
Interest paid	(117.56)	(654.31)
<b>Net cash used in financing activities</b>	<b>(30.18)</b>	<b>(4,241.32)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(13.34)</b>	<b>(0.02)</b>
Cash and cash equivalents at the beginning of the year	29.18	29.20
<b>Cash and cash equivalents at the end of the year</b>	<b>15.84</b>	<b>29.18</b>
<b>Cash and cash equivalents comprises:</b>		
Cash on hand	0.10	0.46
Balances with the banks:		
- in current accounts	15.74	28.72
	<b>15.84</b>	<b>29.18</b>

Refer Note 12(a) for reconciliation of movements of liabilities to cash flows arising from financing activities.

The accompanying notes are an integral part of the financial statements.

This is the cash flow statement referred to in our report of even date

For M S K A & Associates  
Chartered Accountants  
Firm Registration Number : 105047W

  
Rahul Aggarwal  
Partner  
Membership Number: 505676

Place: Gurugram  
Date : May 17, 2024

For and on behalf of the Board of Directors  
Ecopure Specialities limited

  
Surinder Kumar Arora  
Director  
DIN No. 01574728

  
Ashwani Kumar Arora  
Director  
DIN No. 01574773

Place: Gurugram  
Date : May 15, 2024

Place: Gurugram  
Date : May 15, 2024



**Ecopure Specialities limited**  
Statement of Changes in Equity for the year ended March 31, 2024

**a) Equity share capital**

	Notes	Rs. in Lakhs
As at April 01, 2022	10	362.14
Add: Shares issued during the year		112.95
As at March 31, 2023	10	475.09
Add: Shares issued during the year		-
As at March 31, 2024	10	475.09

**b) Other equity**

	Notes	Retained Earnings	Security Premium	Cash flow hedging reserve	(Rs. in Lakhs) Total
Balance as at April 01, 2022		704.16	1,142.86	27.56	1,874.58
Profit for the year		676.21	-	-	676.21
Items of other comprehensive income for the year :-					
Loss on cash flow hedge (net of tax)		-	-	(106.58)	(106.58)
Remeasurement of defined benefit obligations (net of tax)		(1.97)	-	-	(1.97)
Total Comprehensive Income for the year		674.24	-	(106.58)	567.66
Issue of equity shares (net of transaction cost)		-	1,387.01	-	1,387.01
Balance as at March 31, 2023		1,378.40	2,529.87	(79.02)	3,829.25
Balance as at April 01, 2023		1,378.40	2,529.87	(79.02)	3,829.25
Loss for the year		(273.32)	-	-	(273.32)
Items of other comprehensive Income for the year :-					
Profit on cash flow hedge (net of tax)		-	-	112.76	112.76
Remeasurement of defined benefit obligations (net of tax)		10.73	-	-	10.73
Balance as at March 31, 2024		1,115.81	2,529.87	33.74	3,679.42

This is the Statement of changes in equity referred to in our report of even date.

For M S K A & Associates  
Chartered Accountants  
Firm Registration Number : 105047W



Rahul Aggarwal  
Partner  
Membership Number: 505676


Place: Gurugram  
Date : May 17, 2024

For and on behalf of the Board of Directors  
Ecopure Specialities limited



Surinder Kumar Arora  
Director  
DIN No. 01574728

Place: Gurugram  
Date : May 15, 2024



Ashwani Kumar Arora  
Director  
DIN No. 01574773

Place: Gurugram  
Date : May 15, 2024

## 1. General Information

Ecopure Specialities Limited ('the Company') (CIN-U15135DL2018PLC338331) was incorporated on September 05, 2018, under the provisions of erstwhile Companies Act, 1956. The Company is a subsidiary of Nature Bio Foods Limited (Primary Holding Company) & Nature Bio Foods Ltd is a Subsidiary of LT Foods Ltd., a listed company incorporated in India.

The Company is in the business of manufacturing of soyabean and other organic food products in the domestic and overseas market. Its operations include procurement, storage, processing, packaging and distribution of food products.

## 2. Material accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

### (i) Basis of Preparation of Financial Statements

#### a. Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### b. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Defined benefit plans - plan assets measured at fair value.

#### c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non current liabilities, as the case may be.

\*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.



**d. Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**(ii) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Company has identified its Whole Time Directors as Chief Operating Decision Maker (CODM), who assesses the financial performance of the Company and makes strategic decisions.

The Company has structured its operations into the following four segments:

Rice: Organic rice marketing and traded by the Company.

Soyabean: Organic Soyabean processing, marketing and traded by the Company.

Oilseeds: Processing and trading of oilseeds by company

Others: Organic pulses, organic flour, organic oil, organic nuts, organic spices and herbs, organic millets, etc. traded by the Company.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

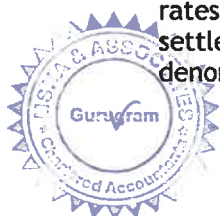
Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets / liabilities".

**(iii) Foreign currency transactions**

Effective April 01, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment is insignificant.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.



f

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### **(iv) Revenue Recognition**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer.

##### **Sale of goods:**

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognized on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognized once the facilitation of such service is done as the Company does not assume any performance obligation.

##### **Satisfaction of performance obligations:**

The Company's revenue is derived from the single performance obligation to transfer primarily Soyabean, Oilseeds and other products under arrangements in which the transfer of control of the products and the fulfillment of the Company's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Company transfers control at the point in time the customer takes undisputed delivery of the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

##### **Payment terms:**

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 30 to 60 days. No element of financing is deemed present as the sales are made with a credit term of 60 days, which is consistent with market practice.



**(v) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**(vi) Leases**

**As a lessee**

The Company's lease asset classes primarily consist of leases for lands. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.



Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**(vii) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(viii) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, 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, and bank overdrafts.

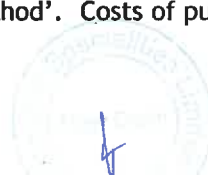
**(ix) Trade receivables**

Trade receivables are recognised initially amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(x) Inventories**

**Raw materials and stores, traded and finished goods**

Raw materials and stores, work in progress, traded and finished goods are valued at lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. The cost of finished goods and work in progress comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the basis of the 'Weighted average method'. Costs of purchased inventory are



determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for inventory obsolescence is made based on the best estimates of management. Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

#### **(xi) Financial Instruments**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

#### **Financial assets**

##### **Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortized cost** - a financial instrument is measured at amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.

- ii. **Financial assets at fair value**

- Investments in equity instruments other than above - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).



**Ecopure Specialities Limited**  
**Summary of material accounting policies for the year ended March 31, 2024**

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from assets have expired or the Company has transferred its rights to receive cash flows from the asset. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial asset is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

**Financial liabilities**

**Subsequent measurement**

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the Statement of Profit and Loss.

**Derivative liabilities** - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

**De-recognition of financial liabilities**

The Company de-recognises financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial liability is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment of financial assets**

- The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. The Company computes ECL based on a provision matrix.





- **Other financial assets:**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**(xii) Derivatives and hedging activities**

**a) Hedge accounting policy**

**Initial and subsequent measurement**

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income ("OCI") and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk associated with recognized assets/liabilities in the financial statements.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.



- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

**(xiii) Derecognition Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

**(xiv) Property, plant and equipment**

All items of property, plant and equipment are carried at historical cost less accumulated depreciation /amortisation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

Depreciation is recognised so as to write off the cost of assets less their residual values over the useful lives, using the written down value method. For certain assets, the useful life has been considered as prescribed under Schedule II of the Companies Act, 2013 and for the remaining assets the useful life have been determined by the management basis on technical evaluation considering the nature of assets.



**Ecopure Specialities Limited**  
**Summary of material accounting policies for the year ended March 31, 2024**

Estimated useful life as given below:

Class of Property, plant and equipment	Useful life(In years)
Buildings	5/3
Plant and Machinery	15/6/3
Office Equipment	5/3
Vehicles	8
Computers	3
Lab Equipments	5

The residual values are not more than 5% of the original cost of the asset.

The useful lives and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

Cost of leasehold land is amortized over the period of the lease. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within Other Income/Other Expense in Statement of Profit and loss.

**(xv) Capital Work in Progress**

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

**(xvi) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(xvii) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).



f

**(xviii) Borrowing cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**(xix) Functional and presentation currency**

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

**Foreign Currencies**

**Transactions and balances**

*Initial recognition*

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

*Subsequent measurement*

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

**(xx) Provisions, Contingent Liabilities and Contingent Assets**

**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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the 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 recognised as a finance cost.



### **Contingent liabilities**

Contingent liabilities are disclosed 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 or a reliable estimate of the amount cannot be made.

### **Contingent Assets**

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

### **(xxi) Retirement and other employee benefits**

#### **Defined Contribution plan**

Retirement benefit in the form of provident fund, employees' state insurance and labour welfare fund are a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### **Defined benefit plans**

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise. Gratuity fund is administered through PNB Met Life.

#### **Other Employee Benefits**

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

#### **Other short-term benefits**

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.



**(xxii) Earnings per share (EPS)**

**a. Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit or loss for the period attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.

**b. Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(xxiii) Fair value measurement**

The Company measures financial instruments, such as derivatives at fair value at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

**(xxiv) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



Handwritten signature or mark in blue ink.

**(xxv) Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

**3. Significant management judgement in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- a) **Defined benefit obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- b) **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- c) **Contingent liabilities** - The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.
- d) **Inventory** - The valuation of finished soyabean, oilseeds and pulses involves estimations around determination of overhead absorption rates. Further, management estimates the net realisable values of inventories including by-products, taking into account the most reliable evidence available at each reporting date.



Handwritten signature or mark in blue ink.

Ecopure Specialities Limited

Notes forming part of the financial statements for the Year ended March 31, 2024

Note 4 : Property, plant and equipment

(Rs. In Lakhs)

Description	Building	Plant and machinery	Vehicles	Office equipment	Computers	Lab Equipments	Total
<b>Gross carrying amount</b>							
As at April 01, 2022	1,008.05	1,643.14	44.18	70.68	14.70	17.44	2,798.19
Additions during the year	190.59	245.52	-	4.11	1.65	-	441.87
Disposals during the year	(67.92)	(247.97)	(2.45)	-	(0.86)	-	(319.20)
<b>As at March 31, 2023</b>	<b>1,130.72</b>	<b>1,640.69</b>	<b>41.73</b>	<b>74.79</b>	<b>15.49</b>	<b>17.44</b>	<b>2,920.86</b>
<b>Accumulated depreciation</b>							
As at April 01, 2022	214.76	373.53	17.44	36.27	7.39	8.84	658.22
Depreciation charge during the year	114.68	254.90	7.89	20.02	5.34	-	402.83
Disposals during the year	(16.68)	(62.94)	(0.86)	-	(0.70)	-	(81.18)
<b>As at March 31, 2023</b>	<b>312.76</b>	<b>565.48</b>	<b>24.47</b>	<b>56.29</b>	<b>12.03</b>	<b>8.84</b>	<b>979.87</b>
<b>Net carrying amount</b>	<b>817.97</b>	<b>1,075.20</b>	<b>17.27</b>	<b>18.50</b>	<b>3.46</b>	<b>8.60</b>	<b>1,941.00</b>
<b>Gross carrying amount</b>							
As at April 01, 2023	1,130.72	1,640.69	41.73	74.79	15.49	17.44	2,920.86
Additions during the year	-	237.45	-	3.42	-	-	240.87
Disposals during the year	-	(243.41)	-	(4.07)	-	-	(247.48)
<b>As at March 31, 2023</b>	<b>1,130.72</b>	<b>1,634.73</b>	<b>41.73</b>	<b>74.14</b>	<b>15.49</b>	<b>17.44</b>	<b>2,914.25</b>
<b>Accumulated depreciation</b>							
As at April 01, 2023	312.76	565.48	24.47	56.29	12.03	8.84	979.87
Depreciation charge during the year	111.53	257.89	5.41	14.45	2.19	-	391.47
Disposals during the year	-	(104.77)	-	(3.42)	-	-	(108.19)
<b>As at March 31, 2023</b>	<b>424.29</b>	<b>718.60</b>	<b>29.88</b>	<b>67.32</b>	<b>14.22</b>	<b>8.84</b>	<b>1,263.15</b>
<b>Net carrying amount</b>	<b>706.43</b>	<b>916.13</b>	<b>11.85</b>	<b>6.82</b>	<b>1.27</b>	<b>8.60</b>	<b>1,651.10</b>

Notes:

- (i) Refer to Note 29 for disclosure of contractual commitments for acquisition of property, plant and equipment.
- (ii) Details of depreciation expense are stated in Note 21 on Depreciation and amortisation expense.
- (iii) Additions during the year include assets purchased from its Holding company amounting to INR. 4.61 Lakhs as stated in Note 30.
- (iv) Disposal during the year include assets sale to its Holding company amounting to INR. 10.77 Lakhs as stated in Note 30.
- (v) Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the asset. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment.
- (vi) Refer to Note 35 for information on property, plant and equipment pledged as security by the Company.
- (vii) During the year, the Company has not revalued its property, plant and equipment, right of use asset and Intangible assets during the current and previous year.





Ecopure Specialities limited  
Notes forming part of the financial statements for the Year ended March 31, 2024

Capital work-in-progress

	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	-	9.45
	-	9.45

Movement in capital work in progress:

	Amount
Balance as at April 01, 2022	70.01
Add: Additions during the year	9.45
Less: Capitalisation during the year	(70.01)
Balance as at March 31, 2023	9.45
Balance as at April 01, 2023	9.45
Add: Additions during the year	-
Less: Capitalisation during the year	(9.45)
Balance as at March 31, 2024	-

\* Capital work-in-progress as at March 31, 2023 mainly comprises of plant and machinery.

Ageing of Capital work in progress is as below:

As at March 31, 2024

CWIP	Less than 1 year	1-2 Year	2-3 Years	More than 3 Years	Total
Project in Progress	-	-	-	-	-
Project temporarily Suspended	-	-	-	-	-

As at March 31, 2023

CWIP	Less than 1 year	1-2 Year	2-3 Years	More than 3 Years	Total
Project in Progress	9.45	-	-	-	9.45
Project temporarily Suspended	-	-	-	-	-



**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 4(a) : Right of use assets**

Following are the changes in the carrying value of right to use of the assets:

Particulars	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	254.82	265.26
Adjustment of depreciation for Previous Year	-	(7.86)
Additions	-	-
Depreciation	(2.58)	(2.58)
<b>Net Carrying Value</b>	<b>252.24</b>	<b>254.82</b>

**Carrying amount of Right of use of assets:**

Particulars	As at March 31, 2024	As at March 31, 2023
Land	252.24	254.82
<b>Total</b>	<b>252.24</b>	<b>254.82</b>

**a. Nature of Company's leasing activities by type of right-of-use asset recognised on balance sheet:**

Right to use	Land	Land
Number of right-of-use assets leased	1.00	1
Range of remaining lease term	93 years	94 years
Average of remaining lease term	93.00	94.00
No. of lease with termination option	1	1

The following is the breakup of Current and Non Current lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities (refer note 12 (b))	-	-
Non Current lease liabilities (refer note 12 (b))	20.61	-

The following is the movement in lease liability during the year ended :

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	20.61	20.61
Finance cost accrued there on	2.58	2.58
Payment of lease liability	(2.58)	(2.58)
<b>Balance at the end</b>	<b>20.61</b>	<b>20.61</b>

The maturity analysis of lease liabilities are disclosed in Note 26.

The following are the amounts recognised in profit or loss :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets	2.58	10.44
Interest expense on lease liabilities	2.58	2.58
<b>Total</b>	<b>5.16</b>	<b>13.02</b>



f

**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 5 : Financial Assets**

5(a) Other Financial assets	(Rs. In Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Security Deposits	20.17	-	24.80	-
Derivative assets	45.12	-	-	-
Interest accrued but not due on fixed deposits	1.03	-	0.92	-
Export incentive recoverable	30.96	-	7.58	-
Gratuity overfunded balance (excess of plan assets over plan liabilities)	4.93	-	-	-
Bank deposits*	10.11	-	4.58	3.00
<b>Total other financial assets</b>	<b>112.32</b>	<b>-</b>	<b>37.88</b>	<b>3.00</b>

\* There are some deposits which are restricted as they are held as margin money deposits against guarantees given by the Company amounting to INR 6.39 Lacs (March 31,2023 INR 6.7 lacs.)



Ecopure Specialities Limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 5 (b) : Trade receivables

	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables*	114.30	0.23
Receivables from related parties (refer note 30)	904.85	518.39
<b>Total Receivables</b>	<b>1,019.15</b>	<b>518.62</b>
<b>Break-up of security details</b>		
Trade receivable considered good- Secured	-	-
Trade receivable considered good- Unsecured	1,019.15	518.62
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
<b>Total</b>	<b>1,019.15</b>	<b>518.62</b>
Less: Allowance for doubtful debts	-	-
<b>Total Trade receivables</b>	<b>1,019.15</b>	<b>518.62</b>
* includes receivables from Companies in which Director of the Company is also a Director	904.84	452.02

Ageing as on March 31, 2024

Particulars	Not Due	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivable - Considered Good	490.94	528.21	-	-	-	-	1,019.15
Undisputed Trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>490.94</b>	<b>528.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,019.15</b>

Ageing as on March 31, 2023

Particulars	Not Due	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivable - Considered Good	-	276.86	241.62	0.14	-	-	518.62
Undisputed Trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>276.86</b>	<b>241.62</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>518.62</b>

Note 5 (c): Cash and cash equivalents

	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	0.10	0.46
Balances with banks		
- In current accounts	15.74	26.60
-Deposits with original maturity of less than 3 months	-	2.12
	<b>15.84</b>	<b>29.18</b>



Handwritten signature in blue ink.

Ecopure Specialities Limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 6 : Deferred tax assets

	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
The balance comprises temporary differences attributable to:		
<b>Deferred Tax Assets:</b>		
Provision for employees benefits	2.73	7.76
Property, plant and equipment and intangible assets	69.60	54.68
Unabsorbed Losses	62.97	-
Unrealised foreign exchange loss on forward contracts	-	26.57
<b>Total</b>	<b>135.30</b>	<b>89.01</b>
<b>Deferred tax liabilities:</b>		
Unrealised foreign exchange gain on forward contracts	(11.36)	-
<b>Net deferred tax assets*</b>	<b>123.94</b>	<b>89.01</b>

\* Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax assets

Particulars	April 01, 2023	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2024
<b>Deferred tax assets arising on account of:</b>				
Provision for employees benefits	7.76	(3.61)	(1.42)	2.73
Property, plant and equipment	54.68	-	14.90	69.60
Unabsorbed Loss	-	-	62.97	62.97
Unrealised foreign exchange gain on forward contracts	26.57	(37.91)	-	(11.36)
<b>Net Deferred tax assets</b>	<b>89.01</b>	<b>(41.52)</b>	<b>76.45</b>	<b>123.94</b>

Particulars	April 01, 2022	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2023
<b>Deferred tax assets arising on account of:</b>				
Provision for employees benefits	1.99	0.66	5.11	7.76
Property, plant and equipment	46.80	-	7.88	54.68
	<b>48.79</b>	<b>0.66</b>	<b>12.99</b>	<b>62.44</b>
<b>Deferred tax liabilities arising on account of:</b>				
Unrealised foreign exchange gain on forward contracts	(9.26)	35.83	-	26.57
	<b>(9.26)</b>	<b>35.83</b>	<b>-</b>	<b>26.57</b>
<b>Net Deferred tax assets</b>	<b>39.53</b>	<b>36.49</b>	<b>12.99</b>	<b>89.01</b>

Note 7 : Current tax assets (net)

	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Advance income tax (Net of Provision for Tax)	100.12	40.02
	<b>100.12</b>	<b>40.02</b>



f

**Ecopure Specialities limited**

**Notes forming part of financial statements for the year ended March 31, 2024**

<b>Note 8 : Inventories</b>	<b>(Rs. In Lakhs)</b>	
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Raw materials	875.43	1,400.50
Semi-Finished Goods	947.91	1,174.10
Finished Goods [including goods in transit of Rs. 299.41 lakhs (March 31, 2023 is Nil)]	551.55	388.81
Traded goods	33.27	29.19
Stores and spares	286.24	307.41
Packing Material	82.88	133.33
<b>Total inventories</b>	<b>2,777.28</b>	<b>3,433.34</b>

<b>Note 9 : Other current assets</b>	<b>(Rs. In Lakhs)</b>	
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Advance to employees	4.27	1.34
Capital advance (Refer Note 29 for capital commitments)	-	40.88
Prepaid expenses	44.33	39.00
Advances to vendors	23.10	42.35
Balance with government authority	589.05	600.57
<b>Total other current assets</b>	<b>660.75</b>	<b>724.14</b>



Ecopure Specialties Limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 10 : Equity share capital

	Number of shares	(Rs. in Lakhs)
Authorised share capital (par value of Rs 10 each)		
As at April 01, 2022	3,700,000	370.00
Increase during the year	1,300,000	130.00
As at Mar 31, 2023	5,000,000	500.00
Increase during the year	-	-
As at Mar 31, 2024	5,000,000	500.00

(i) Movements in equity share capital

	Number of shares	(Rs. in Lakhs)
Issued, subscribed and paid-up equity share capital (par value of Rs 10 each)		
As at April 01, 2022	3,621,430	362.14
Add: Shares issued during the year	1,129,488	112.95
As at March 31, 2023	4,750,918	475.09
Add: Shares issued during the year	-	-
As at March 31, 2024	4,750,918	475.09

(ii) Shares of Company held by its holding company :

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
Nature Bio Foods Ltd. - Holding company	4,750,918	100.00	4,750,918	100.00

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
Nature Bio Foods Ltd. - Holding company	4,750,918	100.00	4,750,918	100.00

(iv) Details of Promotor shareholders holding in the Company as on 31.03.2024

Name of the Promotor	As at March 31, 2024		As at March 31, 2023		Change	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	%
Mr. Ashwani Kumar Arora (Refer note 1)	1	0.00%	1	0.00%	-	-
Mr. Surinder Kumar Arora (Refer note 1)	1	0.00%	1	0.00%	-	-
Mr. Ritesh Arora (Refer note 1)	1	0.00%	1	0.00%	-	-
Mr. Anmol Arora (Refer note 1)	1	0.00%	1	0.00%	-	-
Mr. Parmod Kumar (Refer note 1)	1	0.00%	1	0.00%	-	-
Mr. Rohan Grover (Refer note 1)	1	0.00%	1	0.00%	-	-
Nature Bio foods Limited	4,750,912	100.00%	4,750,912	100.00%	-	-
Total Shares	4,750,918	100.00%	4,750,918	100.00%	-	-

Note 1 : Nominee shareholders holding in the company as on March 31, 2024.



4

Ecopure Specialities limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 11 : Reserves and Surplus

Particulars	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Reserve and surplus		
Retained earnings	1,115.81	1,378.40
Securities premium	2,529.87	2,529.87
Other reserves		
Cash flow hedge reserves	33.74	(79.02)
<b>Total Reserves &amp; Surplus</b>	<b>3,679.42</b>	<b>3,829.25</b>

(i) Retained earnings	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,378.40	704.16
Net profit for the year	(273.32)	676.21
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment defined benefit obligation, net of tax	10.73	(1.97)
<b>Balance at the end of the year</b>	<b>1,115.81</b>	<b>1,378.40</b>

(f) Securities premium	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2,529.87	1,142.86
Add: Securities Premium on issue of equity shares (Refer note (b)&(d) below)	-	1,387.01
<b>Balance at the end of the year</b>	<b>2,529.87</b>	<b>2,529.87</b>

(iii) Cash flow hedge reserves	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(79.02)	27.56
Less: Change during the year (Refer note (a) below)	112.76	(106.58)
<b>Balance at the end of the year</b>	<b>33.74</b>	<b>(79.02)</b>

Note (a): The cash flow hedging reserve is used to recognise the effective portion of gains or losses on foreign currency derivatives that are designated and qualify as cash flow hedges.

Note (b): The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

Note (c): Terms and rights attached to voting and non-voting equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of voting equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note (d): During the last year Company have issued 11,29,488 number of shares to its holding company Nature Bio-Foods Limited at Rs. 132.8/share. Premium on share issued is Rs. 122.8/share.

Note (e): No shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

Note (f) : The Company has no securities convertible into equity/preference shares.



f



Ecopure Specialities limited  
Notes forming part of financial statements for the year ended March 31, 2024

(Rs. In Lakhs)

Note 12 : Financial Liabilities	As at March 31, 2024		As at March 31, 2023	
	Long term	Short Term	Long term	Short Term
<b>Note 12 (a) Borrowings</b>				
Unsecured:				
Borrowings from Holding Company	210.41	-	648.13	-
Secured:				
Packing credit loan from Banks	-	1,790.67	-	1,252.47
	<b>210.41</b>	<b>1,790.67</b>	<b>648.13</b>	<b>1,252.47</b>

(i) Unsecured borrowings

Loan obtained from Holding Company in previous year is carrying interest rate 8% p.a. Loan was disbursed on January 25, 2021 and is repayable within 5 years.

(ii) Details of Security provided in respect of secured borrowings are as under:

(a) Packing credit loan security:

Packing credit loan from banks are secured by hypothecation of both present and future entire current asset and fixed asset(refer Note 35 for details). These are further secured by personal guarantee of Mr. Vijay Kumar Arora, Mr. Ashwani Arora, Mr. Surinder Kumar Arora & Mr. Ashok Kumar Arora along with a corporate guarantee of LT Foods Ltd.

It is repayable within six months or nine months from the date as per the applicable terms of different banks and having floating interest rate, interest on the above loans ranges from 7.00% to 7.50%. Mr. Ashok kumar Arora has provided personal guarantee for SBI Packing credit loan only.

(iii) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	Lease Liability	Short term Borrowings	Long term Borrowings	Total
Net debt as on April 01, 2022	20.61	2,540.00	4,693.89	7,254.50
Cash movement:				
-Net Repayment	-	(1,287.53)	(3,777.22)	(5,064.75)
Payment towards lease liability	(2.58)	-	-	(2.58)
Interest expense	2.58	174.94	230.47	407.99
Interest paid	-	(174.94)	(499.01)	(673.95)
Net debt as on March 31, 2023	20.61	1,252.47	648.13	1,921.21
Cash movement:				
-Proceeds	-	538.20	-	538.20
-Repayment	-	-	(437.72)	(437.72)
Payment towards lease liability	(2.58)	-	-	(2.58)
Interest expense	2.58	93.72	34.37	130.67
Interest paid	-	(93.72)	(34.37)	(128.09)
Net debt as on March 31, 2024	20.61	1,790.67	210.41	2,021.69



f

Ecopure Specialities Limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 12 (b) : Other financial liabilities	(Rs. in Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Non Current	Current	Non Current	Current
Lease liabilities	20.61	-	20.61	-
<b>Total</b>	<b>20.61</b>	<b>-</b>	<b>20.61</b>	<b>-</b>

\* Current lease liability for current year is 0.00005 lakhs and Rs. 0.00005 lakhs for March 31, 2023.

Note 12 (c) : Trade payables	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
	Trade Payables: Micro and small enterprises (Refer note 28)*	72.22
Trade payable : Others	240.48	349.66
Trade payable to related parties (Refer note 30)	111.24	185.00
<b>Total trade payables</b>	<b>423.94</b>	<b>543.99</b>

\* Above MSME amount includes amount payable to Arohan Service Pvt Ltd. (Related party) amounting to Rs.0.96 Lakhs.

Ageing as at March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	72.22	-	-	-	-	72.22
(ii) Other	0.51	289.61	5.95	2.40	-	298.47
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
	<b>72.73</b>	<b>289.61</b>	<b>5.95</b>	<b>2.40</b>	<b>-</b>	<b>370.69</b>
Add : Unbilled Dues	-	-	-	-	-	53.25
<b>Total Trade Payable</b>	<b>72.73</b>	<b>289.61</b>	<b>5.95</b>	<b>2.40</b>	<b>-</b>	<b>423.94</b>

Ageing as at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	2.40	6.93	-	-	-	9.33
(ii) Other	172.58	160.23	3.84	-	-	336.65
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
	<b>174.98</b>	<b>167.16</b>	<b>3.84</b>	<b>-</b>	<b>-</b>	<b>345.98</b>
Add : Unbilled Dues	-	-	-	-	-	198.01
<b>Total Trade Payable</b>	<b>174.98</b>	<b>167.16</b>	<b>3.84</b>	<b>-</b>	<b>-</b>	<b>543.99</b>

Note 12 (d) : Other current financial liabilities	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
	Derivative liabilities	-
Employees benefits payable	22.46	22.97
Capital creditors	-	3.52
Interest Payable on Loan from Holding Company	30.91	40.95
<b>Total other current financial liabilities</b>	<b>53.37</b>	<b>172.99</b>



f

**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 13 : Other current liabilities**

	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Statutory dues	27.72	41.89
Advances from customers	20.69	65.21
<b>Total other current liabilities</b>	<b>48.41</b>	<b>107.10</b>

**Note 14 : Provisions**

**(i) Employee benefit obligations**  
 Gratuity (net)  
 Compensated absences  
**Total provisions**

	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Gratuity (net)	-	-	0.67	20.43
Compensated absences	1.30	9.52	0.80	8.93
<b>Total provisions</b>	<b>1.30</b>	<b>9.52</b>	<b>1.47</b>	<b>29.36</b>



**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 15 : Revenue from operations**

	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products*</b>		
Export	5,767.64	26,178.18
Domestic	1,353.84	4,028.14
	<b>7,121.48</b>	<b>30,206.32</b>

**\*Details of products sold**

<b>-Finished goods sold</b>		
Soya bean	1,292.17	14,122.90
Oilseeds	4,743.28	6,117.04
<b>-Traded goods sold</b>		
Rice	105.27	7,719.94
Others	980.76	2,246.44
<b>Total revenue from operations</b>	<b>7,121.48</b>	<b>30,206.32</b>

**Note 16 : Other income and other gains**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Other income</b>		
Export incentives	50.42	226.75
Interest income from financial assets at amortised cost :		
Deposits with banks	2.41	1.86
Profit on Sale of Fixed Assets	3.34	1.49
Support services to Group Company	506.51	346.43
Miscellaneous Income	0.53	2.73
<b>Total other income</b>	<b>563.21</b>	<b>579.26</b>



**Ecopure Specialities limited**

Notes forming part of financial statements for the year ended March 31, 2024

	(Rs. In Lakhs)	
Note 17 : Cost of materials consumed	Year ended March 31, 2024	Year ended March 31, 2023
<b>a) Cost of raw material consumed</b>		
Inventory at the beginning of the year	1,400.50	1,634.75
Add : Purchases during the year	3,819.54	15,433.36
	5,220.04	17,068.11
Less : Inventory at the end of the year	875.43	1,400.50
<b>Cost of raw material consumed during the year (a)</b>	<b>4,344.61</b>	<b>15,667.61</b>
<b>b) Cost of packing material consumed</b>		
Inventory at the beginning of the year	133.33	108.84
Add : Purchases during the year	73.12	199.68
	206.45	308.52
Less : Inventory at the end of the year	82.88	133.33
<b>Cost of packing material consumed during the year (b)</b>	<b>123.57</b>	<b>175.19</b>
<b>Cost of material consumed during the year (a+b)</b>	<b>4,468.18</b>	<b>15,842.80</b>
<b>Consumption details</b>		
Packing material	123.57	175.19
Soya	1,252.26	10,023.25
Oilseed	2,977.80	4,464.59
Pulses	114.55	1,179.77
	<b>4,468.18</b>	<b>15,842.80</b>

**Note 18 : Changes in inventories of semi finished goods, finished goods and traded goods**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Semi finished goods	1,174.10	849.84
Finished Goods	388.81	1,558.14
Stock in Trade and others	336.60	399.01
<b>Total inventories at the beginning of the year</b>	<b>1,899.51</b>	<b>2,806.99</b>
<b>Inventories at the end of the year</b>		
Semi finished goods	947.91	1,174.10
Finished Goods	551.55	388.81
Stock in Trade and others	319.51	336.60
<b>Total inventories at the end of the year</b>	<b>1,818.97</b>	<b>1,899.51</b>
<b>Net decrease</b>	<b>80.54</b>	<b>907.48</b>



**Ecopure Specialities limited**

**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 19 : Employee benefits expense**

	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	240.22	319.85
Contribution to provident and other funds*	17.72	21.35
Leave compensation	3.31	5.34
Gratuity	8.31	15.19
Staff welfare expenses	19.82	19.50
<b>Total Employee benefit expense</b>	<b>289.38</b>	<b>381.23</b>

Also, refer note 31 - Employee benefit obligations.

**Note 20 : Finance costs**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Interest expense on :</b>		
(i) Borrowings (net of subvention interest income of Rs. 55.68 lakhs, for March 31, 2023 Rs. 87.10 Lakhs )	117.57	424.15
(ii) Interest on lease liabilities	2.58	2.58
(b) Bank charges	10.52	19.63
<b>Total finance costs</b>	<b>130.67</b>	<b>446.36</b>

**Note 21 : Depreciation and amortisation expense**

	Year ended March 31, 2024	Year ended March 31, 2023
(i) Depreciation of property, plant and equipment (refer note 4)	391.47	402.84
(ii) Depreciation on right to use asset (refer note 4a)	2.58	10.44
<b>Total Depreciation and amortisation expense</b>	<b>394.05</b>	<b>413.28</b>



4

**Ecopure Specialities limited**

**Notes forming part of financial statements for the year ended March 31, 2024**

Note 22 : Other expenses	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Milling charges and other process charges	219.53	42.31
Rent	53.81	121.56
Power and fuel	68.16	168.10
Labour charges	1.94	17.80
Insurance charges	17.93	38.76
Rates and taxes	6.35	44.95
Auditors' remuneration (refer note 22 (a) below)	7.00	7.00
Telephone and communication charges	5.92	5.07
Legal and professional charges	216.35	422.46
Repairs and maintenance		
-Plant and machinery	8.20	8.51
-Others	25.62	52.49
Conveyance	10.66	10.01
Tour and travelling expenses	49.37	54.66
Corporate social responsibility expenditure (refer note (22 (b) below)	16.00	7.00
Freight, Clearing and Forwarding	432.89	4,442.06
Testing, inspection and certification	398.10	564.76
Business promotion	0.93	0.11
Brokerage and commission	1.14	2.30
Commission guarantee	25.81	35.24
Net loss on foreign currency transactions	58.13	187.01
Miscellaneous expenses	53.65	75.77
<b>Total other expenses</b>	<b>1,677.49</b>	<b>6,307.93</b>
<b>Notes 22 (a) : Auditors' remuneration comprises:</b>		
As auditor:		
Statutory audit fees	4.00	4.00
Others	3.00	3.00
<b>Total</b>	<b>7.00</b>	<b>7.00</b>
<b>Note 22 (b) : Corporate Social Responsibility expenditure</b>		
i) Gross amount required to be spent by the company during the year	15.42	6.17
ii) Amount spent during the year on the following :		
(a) Construction/acquistion of any asset	16.00	7.00
(b) On purpose other than (a) above	-	-
<b>Total</b>	<b>16.00</b>	<b>7.00</b>



f

**Ecopure Specialities limited**

Notes forming part of financial statements for the year ended March 31, 2024

**Note 23 : Earnings per share (EPS)**

(Loss)/Profit attributable to equity shareholders

Numbers of weighted average equity share outstanding at the year end for Basic &amp; Diluted

Nominal value per share

(Loss)/Earnings per equity share

Basic and Diluted

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
(Loss)/Profit attributable to equity shareholders	(273.32)	676.21
Numbers of weighted average equity share outstanding at the year end for Basic & Diluted	4,750,918	3,677,131
Nominal value per share	10	10
(Loss)/Earnings per equity share Basic and Diluted	(5.75)	18.39

**Note 24 : Income tax expenses**

This note provides an analysis of the Company's income tax expense

**(a) Income tax expense :**

Current tax

Current tax on profits for the year

Deferred Tax Benefit

Total current tax expense

	March 31, 2024	March 31, 2023
Current tax on profits for the year	-	242.66
Deferred Tax Benefit	(76.45)	(12.98)
Total current tax expense	(76.45)	229.68

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Profit/(loss) before income taxes

Tax at the India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%)

**Tax effect of amounts which are not deductible (taxable) in calculating taxable income:**

Expenses disallowable under the Income tax act

CSR

Others

Total income tax expense

Profit/(loss) before income taxes	(349.77)	905.88
Tax at the India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	(88.01)	227.99
CSR	4.03	1.76
Others	7.53	(1.78)
Total income tax expense	(76.45)	229.68



f



**Ecopure Specialities Limited**

Notes forming part of financial statements for the year ended March 31, 2024

**Note 25 : Fair value measurements**

Particulars	March 31, 2024			March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Other Financial assets	45.12	-	67.20	-	-	40.88
Trade receivables	-	-	1,019.15	-	-	518.62
Cash and cash equivalents	-	-	15.84	-	-	29.18
<b>Total financial assets</b>	<b>45.12</b>	<b>-</b>	<b>1,102.19</b>	<b>-</b>	<b>-</b>	<b>588.68</b>
<b>Financial liabilities</b>						
Borrowings	-	-	2,001.08	-	-	1,900.60
Other financial liabilities	-	-	53.37	105.55	-	67.44
Lease Liability	-	-	20.61	-	-	20.61
Trade payables	-	-	423.94	-	-	543.99
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,499.00</b>	<b>105.55</b>	<b>-</b>	<b>2,532.64</b>

**(i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of 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 financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Fair value of instruments measured at FVTPL:**

Particulars	March 31, 2024			March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Derivative asset	-	45.12	-	-	-	-
<b>Financial liability</b>						
Derivative liabilities	-	-	-	-	105.55	-

**Valuation process and technique used to determine fair value**

**Derivative financial assets/liabilities:** The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates etc.



f

**Ecopure Specialities limited**

**Notes forming part of financial statements for the year ended March 31, 2024**

**Asset and liabilities measured at amortized cost for which fair values are disclosed**

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows:

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial liability and other financial asset are considered to be the same as their fair values, due to their short term nature.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk.

Particulars	March 31, 2024			March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Other Financial assets	-	-	67.20	-	-	40.88
Trade receivables	-	-	1,019.15	-	-	518.62
Cash and cash equivalents	-	-	15.84	-	-	29.18
<b>Financial liabilities</b>						
Borrowings	-	-	2,001.08	-	-	1,900.60
Other Financial liability	-	-	53.37	-	-	67.44
Lease Liability	-	-	20.61	-	-	20.61
Trade payables	-	-	423.94	-	-	543.99



**Ecopure Specialities Limited**  
Notes forming part of financial statements for the year ended March 31, 2024

**Note 26 : Financial Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortized cost	- Ageing analysis - Credit ratings	Diversification of bank deposits, robust trade credit controls including credit limits and letter of credit
Liquidity risk	Borrowings, Trade payables and other liabilities	- Rolling cash flow forecast	Regular review of working capital resulting in effective and efficient working capital management.
Market risk- Interest rates	Long term and short term borrowings at Fixed and variable rates	- Sensitivity analysis	Negotiation of terms that reflects the market factors
Market risk- foreign exchange risk	Future Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	- Cash flow forecasting - Sensitivity analysis	Foreign exchange forward contracts to hedge foreign currency risk exposures

The Company's risk management is carried out by a central treasury department (of the Group) under policies approved by the Board of directors. The Board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

**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), including cash and cash equivalents and deposits with banks and financial institutions.

**a) Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

**Trade receivables**

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

**Other financial assets measured at amortized cost**

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.



4

**Ecopure Specialities limited**  
Notes forming part of financial statements for the year ended March 31, 2024

(B) Liquidity risk  
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturity profile of financial liabilities  
The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances.

Contractual maturities of financial liabilities	Carrying Value	Less than 6 Months			More than 6 months up to 12 month	More than 1 year	Total
		Less than 6 Months	More than 6 months up to 12 month	More than 1 year			
As at March 31, 2024							
Borrowings	2,001.08	1,790.67	-	210.41		2,001.08	
Trade payables	423.94	423.94	-	-		423.94	
Lease Liability	20.61	-	2.58	234.34		256.92	
Other financial liabilities	53.37	53.37	-	-		53.37	
<b>Total</b>	<b>2,499.00</b>	<b>2,267.98</b>	<b>2.58</b>	<b>444.75</b>		<b>2,715.31</b>	
As at March 31, 2023							
Borrowings	1,900.60	1,252.47	-	648.13		1,900.60	
Trade payables	543.99	543.99	-	-		543.99	
Lease Liability	20.61	-	2.58	236.91		239.49	
Other financial liabilities	67.44	67.44	-	-		67.44	
<b>Total</b>	<b>2,532.64</b>	<b>1,863.90</b>	<b>2.58</b>	<b>885.04</b>		<b>2,751.52</b>	

(i) Financing arrangements

The Company had access to the following undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
- Expiring within one year (packing credit loan)	4,809.33	7,347.53
<b>Total</b>	<b>4,809.33</b>	<b>7,347.53</b>

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates, commodity prices and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.



*(Handwritten signature)*

**Ecopure Specialities Limited**  
Notes forming part of financial statements for the year ended March 31, 2024

(f) Foreign currency risk  
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar (USD) and Euro (EUR). Foreign exchange risk arises from recognized assets and liabilities denominated in currency that is not the company's functional currency (INR). To minimize the foreign exchange risk arising from operating activities, the Company enters the foreign exchange forward contracts. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's Indian Rupees exposure to foreign currency risk at the end of the reporting period is expressed as follows:

Currency	As at March 31, 2024		As at March 31, 2023	
	Foreign currency in Lakhs	Rs. in Lakhs	Foreign currency in Lakhs	Rs. in Lakhs
Trade payable	0.49	43.76	0.58	51.75
Euro (EUR)	0.12	10.32	0.09	7.81
United States Dollar (USD)	9.83	886.79	2.74	245.95
Trade receivable	1.42	118.11	3.31	271.90
Euro (EUR)	(26.70)	(2,408.82)	(42.20)	(3,781.44)
United States Dollar (USD)	(14.20)	(1,183.79)	(32.80)	(2,697.05)
Foreign exchange forward contracts (sell foreign currency)	(17.36)	(1,565.79)	(40.03)	(3,587.23)
Net exposure:	(12.90)	(1,076.00)	(29.59)	(2,432.97)
Euro (EUR)				
United States Dollar (USD)				

The following significant exchange rates have been applied for measurement of balances denominated in foreign currency:

Particulars	As at March 31, 2024	As at March 31, 2023
EURO	90.22	89.61
USD	83.37	82.22

(g) Disclosure of effects of hedge accounting on financial position  
As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge									
Foreign currency risk									
(I) A - Foreign exchange forward contracts - USD	1,196.08	-	4.60	-	31 May 2024 - 29 November 2024	1:1	84.11	4.60	(4.60)
(II) A - Foreign exchange forward contracts - EURO	2,493.93	-	40.51	-	31 October 2024 - 31 January 2025	1:1	93.16	40.51	(40.51)

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument Asset/ (Liabilities)	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge									
Foreign currency risk									
(I) A - Foreign exchange forward contracts - USD	2,729.45	-	7.38	-	17 April 2023 - 29 December 2023	1:1	83.05	7.38	(7.38)
(II) A - Foreign exchange forward contracts - EURO	3,740.62	-	-	112.93	28 April 2023 - 29 December 2023	1:1	87.90	(112.93)	112.93



4

Ecopure Specialities Limited  
Notes forming part of financial statements for the year ended March 31, 2024  
(b) Disclosure of effects of hedge accounting on financial performance

For the year ended March 31, 2024		March 31, 2024		March 31, 2023	
Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in statement of profit or loss Gain/(Loss)	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness	
Cash flow hedge Foreign currency risk (1) Foreign exchange forward contracts	150.67	-	(13.63)	Revenue and other Income	
For the year ended March 31, 2023					
Type of hedge and risks	Change in the value of hedging instrument in other	Hedge ineffectiveness recognised in statement of	Amount reclassified from cash flow hedging	Line item affected in statement of	
Cash flow hedge Foreign currency risk (1) Foreign exchange forward contracts	(142.41)	-	212.24	Revenue and other Income	

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.  
For forward contracts, hedge effectiveness is measured using the dollar offset method. The time adjusted, market to market of the hedge item is calculated by using the hypothetical derivative method. The ratio of the market to market of hedge items against the time adjusted, market to market of hedge instruments is used to measure Hedge effectiveness. The ineffective component, if any, is charged to Profit & Loss account.

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2024	March 31, 2023
Opening Balance	(79.02)	27.56
Add: Changes in fair value of forward contracts	137.04	69.85
Less: Amount reclassified to profit/(loss)	13.63	(272.24)
Less: Tax relating to above (net)	(37.91)	35.83
Change during the year	112.76	(106.58)
Closing Balance	33.74	(79.02)

The Company hedges its foreign currency exchange risk by acquiring forward contracts for foreseeable forecasted future transactions, which is represented by foreign currency expected to be collected through sale against confirmed export orders available with the Company. The Company has formalised its policy for hedging and implemented hedge accounting for forward contracts, which includes evaluation of hedge effectiveness of forward contracts at the time of acquisition and at each reporting date. The ineffective portion attributable to fair value of these forward contracts has been recognised in the Statement of Profit and Loss and effective portion has been recorded in cash flow hedge reserve through other comprehensive income. During the year, the Company has recognised profit of Rs. 150.67 lakhs (March 31, 2023: (142.41 lakhs)) in cash flow hedge reserve, through other comprehensive income, being effective portion of fair value of forward contracts outstanding as at March 31, 2024. The fair value is computed as difference between mark to market valuation as at March 31, 2024 and fair value as at date of acquisition of such forward contracts, whichever is later.



Handwritten signature or mark in blue ink.

**Ecopure Specialities Limited**  
Notes forming part of financial statements for the year ended March 31, 2024

**(b) Sensitivity**

A reasonably possible strengthening (weakening) of the Euro and US dollar against all other currencies at March 31, 2024 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in rupee designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	As at March 31, 2024		As at March 31, 2023	
	(Rs. in Lakhs)	1% Strengthening*	(Rs. in Lakhs)	1% Strengthening*
Foreign currency monetary liabilities:				
Euro (EUR)	(0.33)	0.33	(0.39)	0.39
United States Dollar (USD)	(0.08)	0.08	(0.06)	0.06
Foreign currency monetary Assets:				
Euro (EUR)	(6.64)	6.64	(1.84)	1.84
United States Dollar (USD)	(0.88)	0.88	(2.03)	2.03
Forward Contracts				
Euro (EUR)	(21.37)	21.37	(28.30)	28.30
United States Dollar (USD)	(7.54)	7.54	(20.18)	20.18

\* Holding all other variables constant.

**(D) Interest rate risk**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2024 the Company is not exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments are in fixed deposits bearing fixed interest rates.

**Interest rate risk exposure**  
Below is the overall exposure of the Company to interest rate risk:

Particulars	(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
Variable rate borrowing	1,790.67	1,252.47
Fixed rate borrowing	210.41	648.13
<b>Total borrowings</b>	<b>2,001.08</b>	<b>1,900.60</b>

**Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. A positive number below indicates an increase in profit or equity where the interest rate strengthens 5%. For a 5% weakening of the interest rate, there would be a comparable impact on the profits or equity, and the balances below would be negative.

	As at March 31, 2024		As at March 31, 2023	
	(Rs. in Lakhs)	5% Strengthening*	(Rs. in Lakhs)	5% Strengthening*
Variable rate borrowings - If rate of interest increase or decrease by 5%	(6.70)	6.70	(4.83)	4.83

**Sensitivity**

In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

**Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

e) Price Risk:- The Company does not have any significant investments in equity instruments which create an exposure to price risk.



**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 27 : Capital management**

The Company's capital management objectives are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of adjusted net debt to equity ratio.

The Company's adjusted net debt to equity ratio as at year end was as follows.

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Borrowings & lease liability	2,021.69	1,921.21
Less : Cash and cash equivalents	(15.84)	(29.18)
Net debt	2,005.85	1,892.03
Total Equity	4,154.51	4,304.34
Adjusted net debt to adjusted equity ratio	0.48	0.44



f



**Ecopure Specialities limited**

Notes forming part of financial statements for the year ended March 31, 2024

**Note 28: Dues to Micro and Small Enterprises**

According to the information available with the Management, on the basis of intimation received from suppliers, regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows:

Particulars	March 31, 2024 Rs. In Lakhs	March 31, 2023 Rs. In Lakhs
(i) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal	72.22	9.33
- Interest	-	-
(ii) The amounts paid by the buyer during the year:		
- Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- Principle repaid to suppliers beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0.04	0.04

**Note 29: Contingencies and other commitments****(A) Contingent Liabilities**

Duty saved under EPCG licenses (export obligation outstanding ₹ 948.69 Lakhs (March 31, 2023: ₹ 697.60 lakhs)

March 31, 2024 (Rs. in Lakhs)	March 31, 2023 (Rs. in Lakhs)
165.70	123.85

**(B) Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Property, plant and equipment (Net of Advances is nil, March 31,2023 Rs. 40.86 Lakh )	March 31, 2024 (Rs. in Lakhs)	March 31, 2023 (Rs. in Lakhs)
	-	101.90
<b>Total</b>	<b>-</b>	<b>101.90</b>



\_\_\_\_\_  
 (Signature)

Note 30 : Related party disclosures

A. Name of the related parties and nature of relationship

(i) Related Parties where Control exists

Nature of Relationship	Name of Entity
Holding Company	Nature Bio Foods Ltd.

(ii) Other Related Parties with whom there were transactions during the year

Nature of Relationship	Name of Entity
Fellow Subsidiary Companies	Daawat Foods Limited LT Foods Americas Inc. Nature Bio Foods BV Nature Bio Inc.
Ultimate Holding Company	LT Foods Ltd.
Common director	Arohan Services Pvt Ltd.

(iii) Key Management Personnel (KMP)

Nature of Relationship	Name of Person
Key Management Personnel	Mr. Ashwani Kumar Arora, Director Mr. Surender Kumar Tuteja, Independent Director Mr. Surender Kumar Arora, Director Mr. Rohan Grover, Director Mrs. Ambika Sharma, Independent Director Mr. Jason Kardachi, Nominee Director

B. The nature and volume of transactions during the year with the above related parties are as follows:

Nature of transactions	Holding Company	Fellow Subsidiary Company				Ultimate Holding Company	Common Directorship	KMP	Total
		LT Foods Americas Inc.	Nature Bio Foods BV	Daawat Foods Ltd.	Nature Bio Inc.				
		LT Foods Ltd.	Arohan Services Pvt Ltd.						
Transactions during the year:									
Sale of goods	108.02 (1,106.38)	30.73 (3,695.01)	2,811.53 (6,554.50)	- (-)	752.03 (1,765.51)	- (-)	- (-)	- (-)	3,702.31 (13,121.41)
Purchase of goods	746.85 (6,013.63)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	746.85 (6,013.63)
Purchase of PPE	4.61 (6.26)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.61 (6.26)
Sale of PPE	10.77 (236.43)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	10.77 (236.43)
Rent paid	1.20 (1.20)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1.20 (1.20)
Reimbursement of expenses paid	- (193.71)	- (-)	(12.22)	(0.11)	(24.08)	2.24 (11.86)	- (-)	- (-)	2.24 (241.98)
Corporate Guarantee (Note 1)	- (-)	- (-)	- (-)	- (-)	- (-)	25.81 (35.23)	- (-)	- (-)	25.81 (35.23)
Support Service Paid	33.12 (-)	- (-)	- (-)	- (-)	- (-)	15.13 (130.88)	- (-)	- (-)	48.25 (130.88)
Support Service Received	506.51 (346.43)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	506.51 (346.43)
Interest Expenses	34.34 (271.42)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	34.34 (271.42)
Reimbursement Received	64.37 (-)	- (-)	8.38 (14.45)	1.96 (-)	- (-)	(53.83)	- (-)	- (-)	74.71 (68.28)
Proceeds from issuance of equity share capital	- (1,499.96)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,499.96)
Director's sitting fee (Note 2)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1.80 (2.80)	1.80 (2.80)
Tour & Travelling	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	21.05 (9.90)	- (-)	21.05 (9.90)
Testing Charges	- (-)	- (-)	- (-)	- (-)	- (-)	48.55 (19.78)	- (-)	- (-)	48.55 (19.78)



Ecopure Specialities Limited  
Notes forming part of financial statements for the year ended March 31, 2024

(Rs. in Lakhs)

Nature of transactions	Holding Company	Fellow Subsidiary				Ultimate Holding Company	Common Directorship	KMP	Total
		LT Foods Americas Inc.	Nature Bio Foods BV	Daawat Foods Ltd.	Nature Bio Inc.	LT Foods Ltd.	Arohan Services Pvt Ltd.		
<b>Balance outstanding as at year end:</b>									
Trade receivable	-	-	886.79	-	18.06	-	-	-	904.84
	(-)	(66.38)	(246.49)	(-)	(205.52)	(-)	(-)	(-)	(518.39)
Trade payables	56.83	-	-	-	-	54.41	0.96	-	112.20
	(-)	(-)	(-)	(0.98)	(-)	(184.02)	(-)	(-)	(185.00)
Other Loans & Liabilities	30.91	-	-	-	-	-	-	-	30.91
	(40.95)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(40.95)
Outstanding loans payable	210.41	-	-	-	-	-	-	-	210.41
	(648.13)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(648.13)

Note 1 : Joint guarantee issued by KMP & LT Foods amounting to Rs. 1,790.67 lakhs (Rs 1,252.47 lakhs as at March 31, 2023)

Note 2 : Sitting Fees has been paid to Ambika Sharma and Surender Kumar Tuteja of INR 0.80 lakhs and INR 1.00 lakhs respectively in FY 23-24 & INR 1.20 lakhs and 1.60 lakhs respectively in FY 22-23.

Note:

i) Figures in brackets represents previous year's comparatives.

ii) All outstanding balances are unsecured and are payable/receivable in cash.

iii) The transactions with related parties have been entered into by Company in ordinary course of business, on arm's length basis on terms prevailing in the open market at that time.



f

**Ecopure Specialties limited**  
Notes forming part of financial statements for the year ended March 31, 2024

**Note 31: Employee benefit obligations**

**(i) Leave obligations**

The leave obligations cover the Company's liability for privileged earned leaves.

The amount of the provision of Rs. 3.31 lakhs (March 31, 2023 Rs.5.34 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leaves or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	March 31, 2024		March 31, 2023	
	Current	Non -Current	Current	Non -Current
Compensated absences	1.30	9.52	0.80	8.93
<b>Total</b>	<b>1.30</b>	<b>9.52</b>	<b>0.80</b>	<b>8.93</b>

(Rs. In Lakhs)

**(ii) Gratuity**

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employees. In the case of the gratuity scheme, the Company contributes to a trust administered by PNB Met Life. The Gratuity fund is approved by Income Tax Authorities. Commitments are actuarially determined at year-end. Actuarial valuation is done based on "Projected Unit Credit" method. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

**Disclosure of gratuity**

The Company has formed a trust which has taken the "Employee Group Gratuity Assurance Scheme" with PNB Met life to fund its obligation towards payment of gratuity to its employees.

The amounts recognized in the Balance sheet and the movements in the net defined benefit obligation over the year are as follows:

**ii(a) Amount recognised in the Statement of Profit and Loss is as under:**

Description	March 31, 2024	March 31, 2023
Current service cost	6.09	14.44
Interest cost	1.75	0.75
Past service cost	0.47	-
<b>Amount recognised in the statement of profit and loss</b>	<b>8.31</b>	<b>15.19</b>

(Rs. In Lakhs)

**ii(b) Movement in the liability recognised in the balance sheet is as under:**

Description	March 31, 2024	March 31, 2023
Present value of defined benefit obligation as at the start of the year	21.10	3.28
Current service cost	6.09	14.44
Interest cost	1.75	0.75
Actuarial loss/(gain) recognised during the year	(14.34)	2.63
Past service cost	0.47	-
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>15.07</b>	<b>21.10</b>

(Rs. In Lakhs)

**ii(c) Change in fair value of assets:**

Description	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	-	-
Interest income on plan assets*	-	-
Contribution	20.00	-
Actuarial loss	-	-
Benefits paid	-	-
<b>Fair value of plan assets* at the end of the year</b>	<b>20.00</b>	<b>-</b>

(Rs. In Lakhs)

\*Plan assets consist of 100% non-quoted insurer managed funds and T-Bills

**ii(d) Breakup of actuarial loss recognised in other comprehensive income (OCI)**

Description	March 31, 2024	March 31, 2023
Remeasurements due to :		
-Effect of Change in financial assumptions	1.53	1.40
-Effect of Change in demographic assumptions	0.92	(2.83)
-Effect of experience adjustments	11.89	(1.20)
<b>Total actuarial gain/(loss) recognised in OCI</b>	<b>14.34</b>	<b>(2.63)</b>



4

Ecopure Specialities limited  
Notes forming part of financial statements for the year ended March 31, 2024

ii(e) Actuarial assumptions

Description	March 31, 2024	March 31, 2023
Discount rate	7.09%	7.34%
Estimated Rate of Return on Plan Assets	NA	NA
Withdrawal rate	10.00%	8.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years
Rate of increase in compensation	8.00%	9.00%

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

ii(d) Sensitivity analysis :

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Rs. In Lakhs)

Description	March 31, 2024	March 31, 2023
Impact of the change in discount rate		
Present value of obligation at the end of the year	15.07	21.10
- Impact due to increase of 1 %	(1.46)	(2.01)
- Impact due to decrease of 1 %	1.70	2.35
Impact of the change in salary increase		
Present value of obligation at the end of the year	15.07	21.10
- Impact due to increase of 1 %	1.74	1.67
- Impact due to decrease of 1 %	(1.51)	(1.78)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the gratuity to significant actuarial assumptions the same method (present value of the gratuity calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised in the balance sheet.

ii(e) Maturity profile of defined benefit obligation (undiscounted) for 10 Years

(Rs. In Lakhs)

Description	March 31, 2024	March 31, 2023
Within next 12 months	0.03	0.70
Between 2-5 years	4.11	5.04
Beyond 5 years	8.34	9.46

ii(f) The net liability of defined benefit obligation is as under:

(Rs. In Lakhs)

Description	March 31, 2024	March 31, 2023
Present value of defined benefit obligation	15.07	21.10
Fair value of plan assets	(20.00)	-
Deficit/ Excess	(4.93)	21.10

ii(g) Expected contribution

(Rs. In Lakhs)

Description	March 31, 2024	March 31, 2023
Expected contribution to the fund in the next year	1.54	-

(iii) Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

Actuarial assumptions

Description	March 31, 2024	March 31, 2023
Discount rate	7.09%	7.34%
Withdrawal rate	10.00%	8.00%
Future basic salary increase	8.00%	9.00%
Retirement age	58 years	58 years

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

(iv) Defined Contribution Plans

(Rs. In Lakhs)

Description	March 31, 2024	March 31, 2023
Provident fund	15.44	18.05
Employees' State Insurance	2.28	3.30
Total	17.72	21.35



*[Handwritten signature]*



Equinox Specialities limited  
Notes forming part of financial statements for the year ended March 31, 2024

**Note 32 : Segment Reporting**

The Company's reporting segments are identified based on activities/products, risk and reward structure, organization structure and internal reporting systems. The operating segments are presented in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). For management purposes, the Company is organized into business units based on its products and services and has three reportable segments as follows:

- (i) Rice
- (ii) Soybean
- (iii) Oilseeds
- (iv) Others - Composites of pulses, Rice etc.

The Company has identified its Whole Time Directors as CODM who assesses the financial performance and makes strategic decisions. The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

**(a) Summary of Segment Information:**

(Rs. in Lakhs)

Particulars	RICE		SOYABEAN		OILSEEDS		OTHERS		UNALLOCABLE		TOTAL	
	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>REVENUE</b>												
Revenue from external customers	105.27	7,719.94	1,292.17	14,132.90	4,743.28	6,117.04	934.92	2,225.75	45.84	20.69	7,075.64	30,183.63
Other Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Segment Revenue	105.27	7,719.94	1,292.17	14,132.90	4,743.28	6,117.04	934.92	2,225.75	45.84	20.69	7,121.48	30,208.32
Other Income	0.99	70.64	1.94	79.84	42.05	52.67	5.44	23.60	512.79	352.51	563.21	579.26
Total Segment Income	106.26	7,790.58	1,294.11	14,212.73	4,785.33	6,169.71	940.36	2,249.35	558.63	373.21	7,634.69	30,787.58
<b>RESULTS</b>												
Segment Result	7.17	231.06	(446.54)	2,015.25	697.09	(13.72)	(408.90)	(121.35)	(67.92)	(756.99)	(219.10)	1,352.25
Less: Finance Cost	-	-	-	-	-	-	-	-	130.67	446.36	130.67	446.36
Segment Profit before taxation	-	-	-	-	-	-	-	-	(76.45)	229.67	(76.45)	229.67
Tax expense	-	-	-	-	-	-	-	-	123.49	(108.55)	123.49	(108.55)
Other comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive Income/(loss) for the year	-	-	-	-	-	-	-	-	149.53	567.56	149.53	567.56

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Segment Assets	44.42	280.52	2,297.06	2,438.65	2,300.60	2,314.40	712.49	837.51	1,158.17	1,200.39	5,554.57
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	1,158.17	1,200.39
Total Assets	-	-	-	-	-	-	-	-	-	-	6,712.74	7,080.46
Segment Liabilities	-	-	18.48	14.43	50.37	6.18	231.01	65.19	6,412.88	6,994.66	299.86	85.80
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-	6,412.88	6,994.66
Total Liabilities	-	-	20.37	138.98	216.15	209.55	-	-	4.35	32.77	6,712.74	7,080.46
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	236.52	346.54
Unallocated Expenditure	-	-	-	-	-	-	-	-	-	-	4.35	32.77
Depreciation/Amortization	-	-	173.56	210.36	161.09	126.04	-	-	59.40	76.88	240.87	381.31
Unallocated Depreciation	-	-	-	-	-	-	-	-	-	-	334.65	336.40
Segment Revenue based on the locations of the customers :												
America	-	-	-	-	-	-	-	-	-	-	2,711.54	16,728.80
Europe	-	-	-	-	-	-	-	-	-	-	2,747.82	7,418.50
Other (Latin America, Europe & India)	-	-	-	-	-	-	-	-	-	-	194.65	10.19
India	-	-	-	-	-	-	-	-	-	-	1,467.47	4,028.14
	-	-	-	-	-	-	-	-	-	-	7,121.48	30,185.63

Notes :  
(i) Unallocated expenses includes Conveyance expenses, travelling expenses, insurance charges and business promotion expenses which are not attributable directly to each of the segment.

(ii) Unallocated assets include corporate assets, cash and bank balances, loans, other financial assets and other non-allocable assets.

(iii) Unallocated liabilities include corporate liabilities, bank borrowings and other non-allocable liabilities.

(b) Revenue from major customers:  
The revenues of Rs. 4,814.61 lakhs (March 31, 2023 Rs. 20,605.67 lakhs) are derived from three individual customers.

*(Handwritten signature)*



4

Year ended	Year ended
March 31, 2024	March 31, 2023
7,121.48	7,127.85
30,206.32	30,202.21
(6.37)	4.11

Year ended	Year ended
March 31, 2024	March 31, 2023
7,121.48	7,127.85
30,206.32	30,202.21
(6.37)	4.11

Year ended	Year ended
March 31, 2024	March 31, 2023
5,767.64	5,767.64
26,178.18	26,178.18
1,353.84	4,028.14

As at March 31, 2024	As at March 31, 2023
Current	Non-current
20.69	65.21

Year ended	Year ended
March 31, 2024	March 31, 2023
7,121.48	7,121.48
30,206.32	30,206.32

Year ended	Year ended
March 31, 2024	March 31, 2023
65.21	3.88
20.69	(3.88)
20.69	65.21
65.21	65.21

Year ended	Year ended
March 31, 2024	March 31, 2023
65.21	3.88
20.69	(3.88)
20.69	65.21
65.21	65.21

Note 33 : Revenue from Contracts with Customers

Indian Accounting Standard 115, "Revenue from Contracts with Customers" ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

Significant changes in contract assets and liabilities

There has been no significant changes in the nature of contract assets/contract liabilities during the year.

Revenue recognised in relation to contract liabilities

Advance from Customers:

Amounts included in contract liabilities at the beginning of the year

Performance obligations satisfied in current year

Amount received in the current year having outstanding performance obligations

Amounts included in contract liabilities at the end of the year

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Company.

Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Notes forming part of financial statements for the year ended March 31, 2024

Scopure Specialties Limited

Ecopure Specialties limited  
Notes forming part of financial statements for the year ended March 31, 2024

Note 34: Disclosure of Ratios

S.No.	Name of Ratios	Formula	Numerator	Denominator	March 31, 2024	March 31, 2023	Variation
1	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Bank Balance + Loans + Other Financial Assets	Current Liabilities= Short term borrowings + Trade Payables + Other Financial Liabilities+ Current tax (Liabilities) + Lease Liabilities+ Provisions + Other Current Liability	1.98	2.28	-13.32%
2	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net Purchases	(Opening Trade Payables + Closing Trade Payables)/2	9.72	9.07	7.12%
3	Net capital turnover ratio	Revenue / Average Working Capital	Revenue	Average Working Capital	2.89	8.94	-67.69%
4	Net profit ratio	Net Profit / Net Sales	Net Profit	Net Sales	(3.84)	2.24	-271.44%
5	Return on Capital employed	EBIT / Capital Employed	EBIT - Earnings before interest and taxes	Capital Employed= Equity Share Capital + Other Equity + Non Current + Total Lease Liabilities	(4.99)	21.72	-122.95%
6	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	(6.58)	15.71	-141.88%
7	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + short term borrowing + Non-current and current lease liabilities	Equity= Equity + Reserve and Surplus	0.49	0.45	9.02%
8	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit before taxes + Non-cash operating expenses + finance cost	Debt Service = Interest and Lease Payments + Principal Repayment	(0.31)	1.31	-123.52%
9	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	(6.58)	15.71	-141.88%
10	Inventory turnover ratio	Cost of Goods Sold / Average Inventory	Cost of Material Consumed + Purchases of Stock in Trade + Changes in Inventory	(Opening Inventory + Closing Inventory)/2	1.78	5.59	-68.09%
11	Trade Receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Revenue from Operators	(Opening Trade Receivables + Closing Trade Receivable)/2	9.26	13.04	-28.99%

Remarks:

1. Net capital turnover ratio: Revenue of the Company has been decreased due to which net capital turnover ratio has been decreased.
2. Net profit ratio: Net profit ratio has been decreased due to losses incurred in current year.
3. Return on capital employed: Return on capital employed has been decreased due to losses incurred in current year.
4. Return on Investment: Return on investment has been decreased due to losses incurred in current year.
5. Debt Service Coverage Ratio: Debt service coverage ratio has been decreased due to losses incurred in current year.
6. Return on Equity Ratio: Return on equity ratio has been decreased due to losses incurred in current year.
7. Inventory turnover ratio: Inventory turnover ratio has been decreased due to decrease in purchase in current year.
8. Trade receivables turnover ratio: Trade receivables turnover ratio has been decreased due to decrease in revenue of current year.



Handwritten signature or mark.



**Ecopure Specialities limited**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 35 : Assets pledged as security**

The carrying amounts of assets pledged as security for current and non-current borrowings from bank are:

Particulars	Notes	(Rs. in Lakhs)	
		March 31, 2024	March 31, 2023
<b>Current</b>			
<b>Financial assets</b>			
Trade receivables	5 (b)	1,019.15	518.62
Cash and cash equivalents	5 (c)	15.84	29.18
Other Financial Assets	5 (a)	112.32	37.88
<b>Non-Financial assets</b>			
Inventory	8	2,777.28	3,433.34
<b>Total current assets pledged as security</b>	<b>(A)</b>	<b>3,924.59</b>	<b>4,019.02</b>
<b>Non-current assets</b>			
Property, Plant and equipment	4(i) & 4(ii)	1,651.10	1,950.45
<b>Total non-current assets pledged as security</b>	<b>(B)</b>	<b>1,651.10</b>	<b>1,950.45</b>
<b>Total assets pledged as security</b>	<b>(A+B)</b>	<b>5,575.69</b>	<b>5,969.47</b>

**Note 36 : New and amended standards adopted by the Company**

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company has applied these amendments for the first-time in these financial statements

**Amendments to Ind AS 8 - definition of accounting estimates:** The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on these financial statements.

**Amendments to Ind AS 1 - disclosure of accounting policies:** The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

**Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction:** The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the financial statements.

**New and amended standards issued but not effective**

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**Note 37:** As per the international transfer pricing norms introduced in India with effect from April 1, 2001 and the domestic transfer pricing norms introduced with effect from April 1, 2012, the Company is required to use certain specified methods in computing arm's length price of international and domestic transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial period. However, in the opinion of the Management the same would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.



*(Handwritten signature)*

**Ecopure Specialities limited**

**Notes forming part of financial statements for the year ended March 31, 2024**

**Note 38 :** The Company has a working capital limit of Rs.6,600 Lakhs. For said facility, the management files returns/ statements, including information about inventory, debtors (with their ageing) and creditors, with such banks on monthly basis. The management also files revised returns/ statements, including similar information as at quarter-end and for the quarter then ended, with such banks on quarterly basis after reconciling the data with quarter-end accounts. The revised returns/ statements filed with such banks, are in agreement with the unaudited books of accounts of the Company on aggregate basis.

**Note 39:** There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgement dated February 28, 2019 on provident fund on which the Company has obtained legal advice specifically on the retrospective applicability of the same. The Company has started recognising such expenditure/liability on account of enhanced provident fund contributions prospectively. Pending further clarification on the applicability of such ruling and on basis of the legal opinion so obtained, the management is of the view that such ruling is applicable prospectively.

**Note 40:** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**Note 41: Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vi) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (viii) There is no any approved Scheme of Arrangements approved by Competent Authority in terms of sections of 230 to 237 of the Companies act 2013.
- (ix) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Company.
- (x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.



4

Ecopure Specialities limited

Notes forming part of financial statements for the year ended March 31, 2024

Note 42: Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification.

Note 43: Approval of financial statements - The financial statements were authorised for issue by the Board of Directors on May 15, 2024.



For M S K A & Associates  
Chartered Accountants  
Firm Registration Number : 105047W



Rahul Aggarwal  
Partner  
Membership Number: 505676

Place: Gurugram  
Date : May 17, 2024

For and on behalf of the Board of Directors  
Ecopure Specialities limited



Surinder Kumar Arora  
Director  
DIN No. 01574728

Ashwani Kumar Arora  
Director  
DIN No. 01574773

Place: Gurugram  
Date : May 15, 2024

Place: Gurugram  
Date : May 15, 2024