

ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
(CIN No.- U40106MH2008PTC186309)
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	4,577,820	4,577,820
Reserves and surplus	3	175,688,018	399,856,205
Non-Current liabilities			
Long-term borrowings	4	498,885,870	401,722,982
Long-term provisions	5	3,001,887	2,413,811
Other long-term liabilities	6	63,032,198	290,174,426
Current liabilities			
Short-term borrowings	7	68,649,977	84,949,868
Trade payables	8		
Total outstanding dues of micro and small enterprises		78,642,949	41,702,123
Total outstanding dues of Other creditors		10,933,022	12,095,192
Other current liabilities	9	107,607,660	89,927,144
Short-term provisions	10	887,215	917,498
TOTAL		1,011,906,615	1,328,337,069
ASSETS			
Non-current assets			
Property, Plant and Equipment	11		
Tangible assets		733,157,000	796,054,881
Goodwill on Consolidation		10,484,671	10,484,671
Intangible assets		2,038,883	2,740,243
Capital work in progress		1,398,035	221,255,758
Non-current investments	12	10,000	15,000
Deferred tax asset		74,855,302	74,855,302
Long-term loans and advances	13	41,457,722	47,249,488
Other non-current assets	14	18,200,000	19,125,000
Current assets			
Inventories	15	12,043,970	24,769,314
Trade receivable		97,159,096	56,615,641
Cash and bank balance	16	3,903,626	36,851,013
Short-term loans and advances	17	15,218,431	16,117,660
Other current assets	18	1,979,879	22,203,100
TOTAL		1,011,906,615	1,328,337,069

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statements

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no. 168691



Place : Mumbai
Date : December 15, 2020

For and on behalf of Board of Directors of Organic
Recycling Systems Private Limited

Sarang Bhand

Sarang Bhand
Director
DIN No: 01633419

Place : Mumbai
Date : December 15, 2020

Yashas Bhand

Yashas Bhand
Director
DIN No: 07118419

Place : Mumbai
Date : December 15, 2020



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	19	111,500,259	83,154,714
Other income	20	2,009,201	6,958,464
Total revenue		113,509,460	90,113,178
EXPENSES			
Direct Expenses	21	88,005,276	42,989,304
Site related expenses and other direct costs	22	37,566,889	58,850,512
Change in inventories of work in progress	23	12,725,344	3,512,489
Employee benefits expense	24	42,451,132	41,897,212
Finance costs	25	27,241,532	30,018,685
Depreciation and amortization expense	11	69,284,667	49,486,370
Other expenses	26	34,371,761	36,729,198
Total expenses		311,646,601	263,483,769
Profit before Extraordinary items & tax		(198,137,141)	(173,370,591)
Extraordinary items	27	(26,031,046)	-
Profit before tax		(224,168,187)	(173,370,591)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit / (loss) for the period		(224,168,187)	(173,370,591)
Earnings per equity share before extraordinary Items:	28		
Basic		(14,410)	(12,609)
Diluted		(14,410)	(12,609)
Earnings per equity share:	28		
Basic		(16,303)	(12,609)
Diluted		(16,303)	(12,609)

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

For and on behalf of Board of Directors of Organic
Recycling Systems Private Limited

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no. 168691



Sarang Bhand

Sarang Bhand
Director
DIN No: 01633419

Yashas Bhand

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Director
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ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
(CIN No. - U40106MH2008PTC186309)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit before tax and extra ordinary items	(198,137,141)	(173,370,591)
Adjustments for:		
Depreciation	69,284,667	49,486,370
Interest costs	27,241,532	30,018,685
Interest income	(2,007,876)	(3,557,009)
Sundry Balance written back	-	(3,401,455)
Operating profit before working capital changes	(103,618,818)	(100,824,000)
Increase/(decrease) in long term provisions	588,076	550,704
Increase/(decrease) in short term provisions	(30,283)	(7,999,466)
Increase/(decrease) in other current liabilities	33,301,660	(28,135,562)
Increase/(decrease) in other long term liabilities	(925,000)	-
Increase/ (decrease) in trade payables	36,156,809	62,290,294
(Increase)/decrease in inventories	12,725,344	3,512,489
(Increase)/decrease in trade receivable	(40,543,455)	(38,864,206)
(Increase)/decrease in short term loans and advances	899,229	2,486,786
(Increase)/decrease in other current assets	(228,770)	(25,970)
(Increase)/decrease in long term loans and advances	(24,654,912)	(8,022,554)
(Increase)/decrease in other non current assets	700,000	-
Cash generated from operations	(85,630,121)	(114,131,485)
Income Tax paid	-	-
Net cash flows from operating activities	(85,630,121)	(114,131,485)
Cashflows from Investing activities		
Purchase of assets (including CWIP)	(5,685,426)	(403,758,489)
(Increase)/decrease in margin money	-	2,275,000
(Increase)/decrease in deposits for bank guarantee	-	2,500,000
(Increase)/decrease in fixed deposit	35,347,192	(732,414)
(Increase)/decrease in Capital Advance	15,480,000	-
Increase/(decrease) in creditors for capital goods	(1,617,317)	27,140
Interest income	2,007,876	3,557,009
Net cash flows from Investing activities	45,532,325	(396,131,754)
Cashflows from Financing activities		
Net proceeds from issue of share capital	-	203,450
Increase/(decrease) in securities premium	-	121,866,550
Net proceeds from long term borrowings	97,162,887	363,017,475
Net proceeds from short term borrowings	(16,299,891)	83,702,741
Current Maturities of Long Term Loans	(15,221,054)	(27,163,601)
Interest expense	(27,241,532)	(30,018,685)
Net proceeds from term loan	-	-
Net cash flows from Financing activities	38,400,410	511,607,931
Net increase/ (decrease) in cash and cash equivalents	(1,697,386)	1,344,692
Cash and cash equivalents at beginning of period (see Note 1)	3,751,013	2,406,321
Cash and cash equivalents at end of period (see Note 1)	2,053,626	3,751,013

Note No. 1: Cash & Cash Equivalents comprises of:

Particulars	As on March 31, 2020	As on March 31, 2019
Cash in hand	561,969	365,665
Balances with bank	1,491,657	3,385,348
Total	2,053,626	3,751,013

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no 168691

Place : Mumbai
Date : December 15, 2020



For and on behalf of Board of Directors of
Organic Recycling Systems Private Limited

Sarang Bhand *Yashas Bhand*

Sarang Bhand
Director
DIN No: 01633419

Yashas Bhand
Director
DIN No: 07118419

Place : Mumbai
Date : December 15, 2020

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Date : December 15, 2020



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

Notes to the consolidated financial statements for the year ended March 31, 2020

Notes to Accounts

1 (a) NATURE OF OPERATIONS

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

The Company operates through bidding for waste management projects and has been awarded contracts by Municipal Corporations currently being executed by the SPVs specifically formed for the purpose, viz. Solapur Bioenergy Systems Private Limited, Pune Urban Recyclers Private Limited, Meerut Bio-Energy Systems Pvt. Ltd. and Organic Waste (India) Private Limited.

The Company is under discussions to undertake projects on EPC basis in the state of Kerala.

1 (b) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements are prepared in accordance with the principles and procedures required for preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, 'Consolidated Financial Statements'. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, combined on a line by line basis by adding together book values of the items of assets, liabilities, income and expenses after eliminating intra group balances. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

(b) Use of Estimates

The preparation of financial statements in conformity with GAAP, which requires the management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in the current and future periods.

(c) Revenue Recognition

- (i) Sales revenue is recognized on transfer of significant risk and rewards of the ownership of the goods to the buyer.
- (ii) Interest income is recognised on accrual basis.
- (iii) Service income is recognised on the basis of completion of service method.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

Notes to the consolidated financial statements for the year ended March 31, 2020

(d) Fixed Assets

Fixed assets are capitalized at acquisition or construction cost, including directly attributable cost such as freight, insurance, brokerage and specific installation charges for bringing the assets to its working condition for use.

Administration and other general overhead expenses are usually excluded from the cost of fixed assets because they do not relate to a specific fixed asset. However, in some circumstances, where such expenses are specifically attributable to construction of a project or to the acquisition of a fixed asset for bringing it to its working condition, these may be included as part of the cost of the construction project or as a part of the cost of the fixed asset.

Expenditure directly relating to construction activity for the installation of the remaining IMW is capitalised. Other indirect expenditure incurred during the construction period which is not related to the construction activity nor is incidental thereto and are majorly towards the commercial activity is expensed out in the profit and loss account.

Fixed assets are eliminated from financial statements, either on disposal or when retired from active use. Generally such retired assets are disposed of soon thereafter.

(e) Intangible assets

Intangible assets are measured at purchase price/ cost less accumulated amortisation and impairment losses.

Technology Development:

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

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical, financial and other resources required to complete the development and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Company has filed its patent for 'DRYAD' Technology during the year.

Goodwill

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

(f) Depreciation and Amortisation

Depreciation on tangible fixed assets is provided on the written down value method at the calculated rates on the basis of the useful life specified in Part C and in the manner prescribed under Schedule II of the Companies Act, 2013.

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

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

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



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

Notes to the consolidated financial statements for the year ended March 31, 2020

(g) Impairment of assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using pre tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

(h) Valuation of Inventories

Inventories are stated at lower of cost or net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises cost of raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Investments

Long term investments are stated at cost less provision for diminution in value, other than temporary, if any. Current investments are stated at lower of cost and fair value.

(j) Retirement and Other Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are debited to the Profit and Loss statement of the year when the contributions to the respective fund are due.

The Group provides for gratuity liability as a defined benefit plan towards retirement benefits, covering substantially all employees. The benefit is unfunded. The cost of providing benefits under the defined benefit plan is determined using the Project Unit Credit Actuarial Valuation Method. Actuarial gains or losses are recognised immediately in the Profit and Loss statement and are not deferred.

(k) Leases

Lease arrangements under the Group where risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense in the statement of Profit and Loss as per terms of lease agreement.

(l) Foreign Currency transactions

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange rate difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

Notes to the consolidated financial statements for the year ended March 31, 2020

(m) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset in accordance with AS 16.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset are determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

(n) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessment/ appeals.

Deferred tax assets are recognized only if there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(o) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognized in the financial statements when the Company has a present obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The provisions are determined on the basis of a reliable estimate of expected outflows of economic benefits after considering the risk specific to the liability.

Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent asset is neither recognized nor disclosed in the financial statements.

(p) Cash Flow Statement

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

(q) Earning Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. During reporting period, the company does not have any dilutive potential equity shares.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED

(CIN No.- U40106MH2008PTC186309)

Notes to the consolidated financial statements for the year ended March 31, 2020

2 Share Capital

Particulars	As at March 31	
	2020	2019
Authorised		
40,000 (Previous year : 40,000) Equity shares of Rs.10 each	400,000	400,000
300,000 (Previous year : 3,00,000) 0% Optionally convertible preference shares of Rs.10 each	3,000,000	3,000,000
1,60,000 (Previous year : 1,10,000) 0% Non-cumulative redeemable preference shares of Rs.10 each	1,600,000	1,600,000
	5,000,000	5,000,000
Issued, subscribed & fully paid up		
13,750 (Previous year : 13,750) Equity shares of Rs.10 each	137,500	137,500
2,86,400 (Previous Year : 2,86,400) 0% Optionally convertible preference shares of Rs.10 each	2,864,000	2,864,000
1,57,632 (Previous Year : 1,37,287) 0% Non-cumulative redeemable preference shares of Rs.10 each	1,576,320	1,576,320
	4,577,820	4,577,820

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

Particulars	2019-20		2018-19	
	Number		Number	
Equity shares				
Shares at the beginning of the year	13,750	137,500	13,750	137,500
Changes during the year	-	-	-	-
Shares at the end of the year	13,750	137,500	13,750	137,500
Optionally convertible preference shares				
Shares at the beginning of the year	286,400	2,864,000	286,400	2,864,000
Changes during the year	-	-	-	-
Shares at the end of the year	286,400	2,864,000	286,400	2,864,000
Redeemable preference shares				
Shares at the beginning of the year	137,287	1,372,870	137,287	1,372,870
Changes during the year	20,345	203,450	20,345	203,450
Shares at the end of the year	157,632	1,576,320	157,632	1,576,320

(b) Rights, preferences and restrictions attached to Shares

(i) Equity shares

- The Company has one class of equity shares having a par value of Rs 10/- per share.
- Each shareholder is eligible for one vote per share held.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Optionally Convertible Preference shares (OCPS)

- Conversion and/ or redemption of OCPS shall be as per the terms contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- Transferability of OCPS is subject to the terms contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- OCPS holder shall be entitled to rights and privileges as are contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- No dividend is payable on the OCPS of the Company.



(iii) 0% Non-Cumulative Redeemable Preference shares (Preference shares)

- Preference shareholders shall be entitled to rights and privileges as are contained in the Preference Share Agreement dated 16th September, 2013 and any subsequent addendums thereof subject to the Companies Act, 1956 and any subsequent re-enactments thereof.
- Preference Shares are redeemable / transferable in accordance with the terms contained in the Preference Share Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- No dividend is payable on the preference shares of the Company.

(c) Shares in the company held by Each Shareholder holding more than 5% shares

(i) Equity shares

Name of shareholder	As on 31.03.20		As on 31.03.19	
	No. of Shares held	% of Holding	No. of Shares	% of Holding
Sarang Bhand	5,000	36.36%	5,000	36.36%
Vipul Modi	2,062	15.00%	2,062	15.00%
Leena Modi	2,063	15.00%	2,063	15.00%
Mahendra Modi	2,062	15.00%	2,062	15.00%
Niketa Modi	2,063	15.00%	2,063	15.00%

(d) Information regarding issue of shares in the last five years

- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy-back of shares.

3 Reserves & Surplus

Particulars	As at March 31	
	2020	2019
Securities premium		
Opening balance	1,006,182,680	884,316,130
(+) Premium on shares issued during the year	-	121,866,550
Closing balance	1,006,182,680	1,006,182,680
Surplus in the statement of Profit and Loss		
Opening balance	(606,326,475)	(432,955,884)
(+) Net profit/(Net loss) for the current year	(224,168,187)	(173,370,591)
Closing balance	(830,494,662)	(606,326,475)
Total	175,688,018	399,856,205

4 Long term borrowings

Particulars	As at March 31	
	2020	2019
From Banks		
Term Loans (Secured) - Non- Current Portion		
Term Loan - Car	-	1,402,675
Term Loan-3	-	1,769,859
Term Loan-4	34,352,381	42,991,000
Other Loan (Secured)	1,228,337	866,974
	35,580,718	47,030,507
Loans repayable on demand		
From Shareholders	406,120,152	328,472,475
From Others	27,180,000	16,215,000
	504,461,587	344,687,475
Inter-Corporate Deposit		
Unsecured	30,005,000	10,005,000
	30,005,000	10,005,000
Total	498,885,870	401,722,982



(a) Security against Loans

(i) Term loans are secured by hypothecation of furniture & fittings, office equipments, movable machineries at Tuljapur, Solapur (both present & future), equitable mortgage of Land & Building of the factory premises, personal guarantee of Mr. Sarang Bhand (Director), Corporate guarantee of M/s. Organic Recycling Systems Pvt. Ltd, pledge of shares of M/s. Solapur Bioenergy Systems Pvt. Ltd. held by M/s Organic Recycling Systems Pvt Ltd., and equitable mortgage of property from M/s. Vision Corporation Ltd. to the extent of Rs. 262.90 lacs.

(ii) Other loan includes car loan which is secured by hypothecation of the vehicle financed by the bank.

(b) Interest on Loans

(i) Interest on Term loans is applicable at 4% above Base rate applicable at the time of loan sanction with monthly rests.

(ii) Interest on Car loan is applicable at 9.45% p.a.

(c) Terms of Repayment

(i) Term Loan-4 is repayable in 84 monthly instalments commencing from July, 2017. Annual repayment details under Term Loan-4 are as under:

Financial Year	Rs. in lacs	Financial Year	Rs. in lacs
2017-18	7.78	2021-22	86.78
2018-19	23.36	2022-23	109.56
2019-20	28.57	2023-24	136.26
2020-21	46.72	2024-25	50.58

(ii) Car Loan is repayable in 60 EMI of Rs. 56,157/- each. Repayment of EMI has commenced from March 2016.

(iii) Vehicle Loan is repayable in 48 EMI of Rs. 10,740/- each. Repayment of EMI has commenced from March 2018.

(d) Repayment of Term Loans and interest outstanding as on Balance sheet date

All the installments have been paid regularly by the company to the Banks. However there has been delay in repayment of loans or borrowings to the banks.

5 Long term provisions

Particulars	As at March 31	
	2020	2019
Provision for employee benefits Gratuity (unfunded)	3,001,887	2,413,811
Total	3,001,887	2,413,811

6 Other Long term Liabilities

Particulars	As at March 31	
	2020	2019
Other Long term Liabilities*	-	225,000,000
Security Deposits**	19,325,000	20,250,000
Payable to creditors for capital goods***	43,707,198	44,924,426
Total	63,032,198	290,174,426



* The Company has received sum of Rs 775 lacs from West Coast India Pvt Ltd and Rs 75 lacs from Sunlet Systems (West Coast Group) aggregating to Rs 850 lacs as part of their equity contribution as per MOU dated 10th Nov 2014. Its subsidiary, Organic Waste India Private Limited had received an amount of Rs. 2.75 crores from Sunlet Systems & Ventures India Limited and Rs. 4.75 crores from its holding company, West Coast India Pvt Ltd towards development of the project. Similarly, its subsidiary Pune Urban Recyclers Private Limited had received an amount of Rs. 650 lacs from its holding company, Organic Recycling Systems Private Limited on behalf of West Coast Ventures (India) Private Limited towards development of the project in Pune in accordance with the said MOU.

As per the said MOU West Coast Group was required to infuse Rs 4300 lacs towards development of projects on BOOT basis. However, due to breach of the contract terms by West Coast Group to contribute the entire portion of equity, the company has initiated arbitration proceedings. Further the Company has claimed damages arising out of breach of contractual obligation by West Coast Group. Accordingly, the said amount of Rs 2250 lacs is treated as a part of non-current liabilities.

The arbitration proceedings have completed and as per the Arbitration Order dated December 30, 2019, the Company has been awarded a compensation of INR 33.90 crore from West Coast Group. Accordingly the sum of INR 8.50 crore is no longer payable to West Coast Group and a in fact a sum of INR 11.40 crores is further receivable as a claim from West Coast Group. The amount of INR22.50 crores written back has accordingly been shown as extraordinary income in the statement of profit and loss account and the sum of INR 11.40 crores has been disclosed as contingent assets.

** Security deposit of Rs 1,93,25,000 (PY 2,02,50,000) has been taken from Blue Planet Yasasu Solutions Private Limited for Performance Bank Guarantee, Earnest money deposit and Tender deposit as per the terms of the contract.

*** Out of the total payable, Rs 59,12,720 (PY 59,12,721) is under dispute. Out of the total amount under dispute, Rs 18,01,952 is under arbitration at Mumbai which is at its final stage. Remaining amount of Rs 41,10,768 is under dispute under the MSME law at Pune and is at its initial stage.

7 Short Term Borrowings

Particulars	As at March 31	
	2020	2019
Loans repayable on demand		
Bank of Baroda - Cash Credit A/c	7,618,149	19,364,969
From parties other than related parties	-	-
Loans and advances from related parties		
Unsecured	-	5,119,077
Bank O/D		
Standard Chartered Bank C.A/c No.22506160498	61,031,828	60,465,822
Total	68,649,977	84,949,868

Note:

(i) Cash Credit taken from Bank of Baroda is Hypothicated by stock and books debts.

8 Trade payables

Particulars	As at March 31	
	2020	2019
Trade payables - IOCL	-	-
Trade payables - Pilot plant	-	-
Trade payables - Yasasu	78,642,949	41,702,123
Trade payables - others	10,933,022	12,095,192
Total	89,575,971	53,797,315



9 Other Current Liabilities

Particulars	As at March 31	
	2020	2019
Current maturities of long-term debt		
Term loans	3,108,000	18,340,000
Other loans	107,559	83,863
Car Loan	869,803	882,554
Interest accrued and due on borrowings	-	867,757
Other payables		
Duties & taxes	51,726,741	46,170,951
Creditors for expenses	14,972,892	5,366,887
Creditors for fixed assets & capital WIP	140,374	540,463
Payable to employees	7,756,344	4,885,694
Other Payables	2,363,424	2,212,185
Trade Deposits	7,318,760	3,500,000
Accrual for expenses	19,243,763	7,076,790
Total	107,607,660	89,927,144

10 Short Term Provisions

Particulars	As at March 31	
	2020	2019
Provision for employee benefits		
Gratuity (unfunded)	872,215	902,498
Provision for expenses	15,000	15,000
Total	887,215	917,498



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
(CIN No.- U40106MH2008PTC186309)
Notes to the consolidated financial statements for the year ended March 31, 2020

11 Fixed Assets

	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at April 01, 2019	Additions	Deduction	Balance as at March 31, 2020	Balance as at April 01, 2019	Depreciation for the year	On disposals	Balance as at March 31, 2020	Balance as at March 31, 2020	Balance as at March 31, 2019
Fixed Assets										
Tangible Assets										
Plant & machinery	859,290,647	-	-	859,290,647	203,552,915	54,032,532	-	257,585,447	601,705,200	655,757,712
Building	200,055,436	-	-	200,055,436	62,851,462	13,209,994	-	76,061,436	123,993,980	137,203,974
Motor Vehicle	6,598,530	-	-	6,598,530	3,905,115	862,565	-	4,767,680	1,830,850	2,697,415
Office Equipments	3,100,597	676,210	-	3,776,807	2,969,020	155,153	-	3,124,173	652,634	131,577
Computers	2,248,789	-	-	2,248,789	2,206,483	2,860	-	2,209,343	39,446	42,306
Furniture & Fixtures	5,322,617	5,009,216	-	10,331,833	5,076,741	320,203	-	5,396,944	4,934,889	245,876
Intangible Assets	1,076,616,616	5,685,426	-	1,082,302,042	280,561,735	65,583,307	-	349,145,042	733,157,000	796,054,881
Computer Software	1,633,254	-	-	1,633,254	1,362,688	91,441	-	1,454,129	179,125	270,566
	1,633,254	-	-	1,633,254	1,362,688	91,441	-	1,454,129	179,125	270,566
Intangible Asset under Development										
Technology Development *	6,099,191	-	-	6,099,191	3,629,514	609,919	-	4,239,433	1,859,758	2,469,677
	6,099,191	-	-	6,099,191	3,629,514	609,919	-	4,239,433	1,859,758	2,469,677
Capital Work in Progress										
Plastic-to-Fuel Project	10,666,037	-	10,666,037	-	-	-	-	-	-	10,666,037
Bangalore Project	136,654,774	-	136,654,774	-	-	-	-	-	-	136,654,774
Pune Project	72,536,912	-	72,536,912	-	-	-	-	-	-	72,536,912
Solapur Plant	-	-	-	-	-	-	-	-	-	-
Meenut project	1,398,035	-	-	1,398,035	-	-	-	-	-	1,398,035
	221,255,758	-	219,857,723	1,398,035	-	-	-	-	1,398,035	221,255,758
Total	1,305,604,819	5,685,426	219,857,723	1,091,432,522	285,553,937	69,284,667	-	354,838,604	736,593,918	1,020,050,882

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical financial and other resources required to complete the development

and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Company has filed its patent for 'DRYAD' Technology during the year

* Capital work in progress is written off during the year due to discontinuation of project.

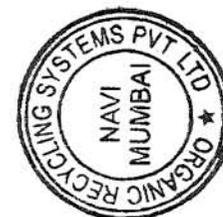


12 Investments

Particulars	As at	As at
	31.03.2020	31.03.2019
Investment in Equity shares of FEEV	10,000	10,000
Investment in Equity shares of PBESPL	-	5,000
Total	10,000	15,000

Details of Non-Current Investments

Name of the Body Corporate	Subsidiary/ Associate / JV/ Controlled Entity / Others	No of shares/Units	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs)		Basis of valuation
					2020	2019	2020	2019	
(1)	(2)	(3)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Investment in Equity Instruments of :									
- Five Elements Environment Ventures Pvt Ltd	Common Control	1,000	Unquoted	Fully paid up	10%	10%	10,000	10,000	At par
- Pune Bioenergy Systems Pvt Ltd	Others	500	Unquoted	Fully paid up	0%	5%	-	5,000	At par



13 Long Term Loans and Advances

Particulars	As at March 31	
	2020	2019
Capital Advances		
Unsecured, considered good	5,537,099	21,017,099
	5,537,099	21,017,099
Security Deposits		
Unsecured, considered good	14,940,935	5,645,735
	14,940,935	5,645,735
Other loans and advances		
Unsecured, considered good		
TDS receivable	3,440,938	3,611,037
Advance taxes	1,396,813	1,913,485
VAT refund receivable	5,297,075	6,017,369
GST Credit	10,844,862	9,019,763
Tender deposits	-	25,000
	20,979,688	20,586,654
Total	41,457,722	47,249,488

14 Other non-current assets

Particulars	As at March 31	
	2020	2019
Long term deposits with banks (PBG)*	15,950,000	16,175,000
Earnest Money Deposit	750,000	1,450,000
Tender deposits	1,500,000	1,500,000
Total	18,200,000	19,125,000

* Held as lien by bank for performance guarantee given to customers
Performance bank guarantee, Earnest money deposit & tender deposits on behalf of
Blue Planet Yasasu Solutions Private Limited as per agreement dated 30th March 2019.

15 Inventories

Particulars	As at March 31	
	2020	2019
Closing stock of work-in-progress	8,952,000	10,020,000
Consumables Stock	3,003,320	14,090,319
Closing stock of finished goods	88,650	658,995
Total	12,043,970	24,769,314



16 Cash & bank balances

Particulars	As at March 31	
	2020	2019
Cash and cash equivalents		
Balances with banks	1,491,657	3,385,348
Cash in hand	561,969	365,665
	2,053,626	3,751,013
Other Bank Balances		
Fixed deposits	-	31,250,000
Margin money deposit*	1,850,000	1,850,000
	1,850,000	33,100,000
Total	3,903,626	36,851,013

* Margin Money is given as performance guarantee. This amount cannot be withdrawn before completion of the Project. Out of the total margin money Rs 11,25,000 (PY Rs 11,25,000) on behalf of Blue Planet Yasasu Solutions Private Limited

17 Short Term Loans and Advances

Particulars	As at March 31	
	2020	2019
Loans and Advances to related parties *		
Unsecured, considered good		
Advance against salary	-	1,593,122
Advance against expenses	-	3,418,100
	-	5,011,222
Balances with Statutory Authority	5,990,782	2,523,628
Other loans and advances		
Unsecured, considered good		
Advance to creditors	2,743,456	2,480,577
Advance against salary	81,413	98,413
Advance against expenses	5,591,418	3,976,261
Loan to staff	99,000	335,388
Income tax paid under dispute	-	1,000,000
Prepaid expenses	438,687	441,421
Tender deposits	273,675	250,750
	9,227,649	8,582,810
Total	15,218,431	16,117,660

18 Other current assets

Particulars	As at March 31	
	2020	2019
Trade deposit	-	16,351,029
	-	16,351,029
Interest accrued	140,287	135,152
Fixed Deposit	1,839,592	5,716,919
Total	1,979,879	22,203,100



19 Revenue from operations

Particulars	Year ended March 31	
	2020	2019
Modular electricity to waste plant	77,851,258	45,632,294
O&M sale	10,060,092	11,340,405
Sales - Compost	18,828,893	21,908,983
Sales - Electricity	4,624,598	4,105,667
Other Operating Income	135,418	167,365
Total	111,500,259	83,154,714

20 Indirect Income

Particulars	Year ended March 31	
	2020	2019
Creditors written back	-	3,401,455
Interest income	2,007,876	3,211,649
Miscellaneous Income	1,325	345,360
Total	2,009,201	6,958,464

21 Direct expenses

Particulars	Year ended March 31	
	2020	2019
Direct Purchases	84,071,194	42,989,304
Site related expenses & other direct costs	3,934,082	-
Total	84,071,194	42,989,304

22 Site Related Expense

Particulars	Year ended March 31	
	2020	2019
Labour Charges	6,358,297	7,882,732
Transportation	144,446	366,655
Other direct expenses	280,484	691,712
Packing material	1,980,716	2,266,962
Repairs & maintenance	5,003,378	18,339,848
Royalty	-	1,237,500
Power & fuel	11,209,740	12,805,660
Oil & chemical	449,056	751,511
Rent - plant & machinery	11,167,685	12,172,412
Security expenses	973,088	2,335,521
Total	37,566,890	58,850,513



23 Changes in inventories

Particulars	As at March 31	
	2020	2019
(a) Stock in Process		
WIP at the beginning of the year	(10,020,000)	11,788,300
WIP at the end of the year	8,952,000	(10,020,000)
	(1,068,000)	1,768,300
(b) Consumables		
Consumables at the beginning of the year	(658,995)	235,875
Consumables at the end of the year	88,650	(658,995)
	(570,345)	(423,120)
(b) Consumables		
Consumables at the beginning of the year	(14,090,319)	16,257,628
Consumables at the end of the year	3,003,320	(14,090,319)
	(11,086,999)	2,167,309
Total	(12,725,344)	3,512,489

24 Employee Benefit Expense

Particulars	As at March 31	
	2020	2019
Salary	38,788,946	37,989,552
Contributions to -		
(i) Provident fund	1,630,534	1,418,307
(ii) ESIC	266,687	337,261
(iii) Group gratuity plan	872,215	902,498
Leave Travel Allowance	-	399,989
Salary Incentive	291,840	233,436
Staff Welfare Expenses	591,771	596,510
Employee training expenses	9,139	4,552
Salary - Overtime	-	8,870
Recruitment Expenses	-	6,238
Total	42,451,132	41,897,212

25 Finance Costs

Particulars	Year ended March 31	
	2020	2019
Interest on car and tractor loan	259,082	289,021
Interest on unsecured loan	10,791,863	11,695,479
Interest on secured loan	8,776,300	11,614,235
Interest on working capital loan	7,414,288	6,419,951
Total	27,241,533	30,018,686



26 Other Expenses

Particulars	Year ended March 31	
	2020	2019
Payment to auditors (Refer Note 26.1)	255,000	253,500
Bank charges	194,009	84,694
Business development & promotion expenses	6,465,322	5,918,571
Computer expenses	121,546	477,198
Consultancy charges	1,360,962	1,686,090
Director's Sitting Fee	-	120,000
Donation	-	250,000
Electricity Charges	752,597	571,895
Insurance	393,051	277,451
Interest and penalty	677,050	29,827
Legal & professional fees	8,659,523	6,361,745
Office expenses	108,770	239,225
Lodging & boarding expenses	657,394	993,264
Printing & Stationery Expenses	1,236	29,464
Rent, Rates & taxes	2,271,840	6,875,936
Repairs & Maintenance - other than machine	3,240,638	1,048,580
Prior Period Expenses	-	232,100
ROC fees	8,400	9,961
Statutory expenses	12,700	6,618
Telephone expenses	210,358	179,617
Travelling Expenses	520,776	971,440
Vehicle expenses	411,635	589,249
Miscellaneous Expenses	3,608,351	3,399,303
Selling & distribution expenses		
Carriage outward	4,315,577	6,030,027
Other selling & distribution expenses	102,027	93,443
Total	34,348,761	36,729,198

26.1 Payment to Auditors

Particulars	Year ended March 31	
	2020	2019
Audit Fees	253,500	253,500
Total	253,500	253,500

27 Extraordinary Items

Particulars	Year ended March 31	
	2020	2019
Sundry Balance W/off	295,852,801	-
Sundry Balance W/back	(269,821,755)	-
Total	26,031,046	-



28 Earnings Per Share

Particulars	Year ended March 31	
	2020	2019
Earning per Share before Extraordinary Items		
Basic Earning Per Share (₹)*	(14,409.97)	(12,608.77)
Profit before extraordinary items and after Tax as per Profit and Loss Account (₹)	(198,137,141)	(173,370,591)
Weighted Average Number of Equity Shares Outstanding (Nos)	13,750	13,750
Nominal Value Per Equity Share (₹)	10	10
Earning per Share after Extraordinary Items		
Basic Earning Per Share (₹)*	(16,303.14)	(12,608.77)
Profit After Tax as Per Profit and Loss Account (₹)	(224,168,187)	(173,370,591)
Weighted Average Number of Equity Shares Outstanding (Nos)	13,750	13,750
Nominal Value Per Equity Share (₹)	10	10

On account of losses of the company, the potential equity shares on account of conversion of preference shares will decrease the loss per share resulting to Anti-dilution for which it has not been considered in the calculation of Diluted EPS for the specified year, the Diluted EPS will be same as Basic EPS.

29 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Entity has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	78,642,949	41,702,123
Act and remaining unpaid as at year	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
years	-	-

30 Leases

The Company has entered into operating lease for leasehold land, the future minimum lease payments in respect of which as at March 31, 2020 are as follows:

Particulars	Year ended March 31	
	2020	2019
Not later than 1 year	36,423	36,423
Later than 1 year but not later than 5 years	145,692	145,692
Later than 5 years	546,345	546,345
Total	728,460	768,460



31 Related Party Disclosures as per AS 18:

Key Management Personnel & their relatives	Sarang S. Bhand (Director)
	Yashas Bhand (Director)
	Venkateswara Suram Rao
	Suhas Bhand (Relative of
	Smita Bhand (Relative of
Entities in which Key Management Personnel have significant influence	Five Elements Environment Ventures Private Limited
	Five Elements Research Foundation Private Limited

i) Related Party transactions (including provisions and accruals)

Name of Related Party	For the year ended March 31, 2020	For the year ended March 31, 2019
Sarang Bhand (Director)	126,000	218,090
	1,374,083	127,382
	5,069,633	4,520,969
	5,119,077	2,301,442
Yashas Bhand (Director)	-	40,000
	50,905	28,440
Suhas Bhand (Relative of Director)	214,645	1,038,978
	3,304,699	509,606
Smita Bhand (Relative of Director)	622,180	-
Five Elements Environment Ventures Private Limited	203,770	2,271,676
	16,554,799	275,000

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

Name of Related Party	For the year ended March 31, 2020	For the year ended March 31, 2019
Sarang Bhand (Director)	-	1,248,083
	160,000	179,450
	-	5,119,077
Yashas Bhand (Director)	-	50,905
Suhas Bhand (Relative of Director)	-	3,090,054
Smita Bhand (Relative of Director)	-	622,180
Five Elements Environment Ventures Private Limited	-	16,351,029
	10,000	10,000



- 35 In accordance with the requirements of Accounting Standard 17 - "Segment Reporting", the Company has single reportable segment namely " construction, development and maintenance of Waste to Energy projects, particularly in the Municipal Solid Waste sector. Hence AS-17 "Segment Reporting is not applicable.
- 36 **Details of foreign currency earnings and expenditure**
- a) **Expenditure in foreign currency**
There were no foreign currency expenditure during the year (Previous Year Nil).
- b) **Earnings in foreign currency**
There were no foreign currency earnings during the year (Previous Year Rs. nil).
- 37 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006; consequently disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been given.
- 38 In the opinion of the Board, the provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.
- 39 In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.
- 40 The figures for the previous year have been regrouped, rearranged and reclassified, wherever necessary, to correspond with the current year classification/ disclosure.

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no. 168691

Place : Mumbai
Date : December 15, 2020



For and on behalf of Board of Directors
of Organic Recycling Systems Private
Limited

Sarang Bhand

Sarang Bhand
Director
DIN No: 01633419

Place : Mumbai
Date : December 15, 2020

Yashas Bhand

Yashas Bhand
Director
DIN No: 07118419

Place : Mumbai
Date : December 15, 2020

