

INDEPENDENT AUDITOR'S REPORT

To the Members of **Ecopure Specialities limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Ecopure Specialities Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022 and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (Comprising of its profit and comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report (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 we have obtained 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 Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures 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 identified above when it becomes available 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 other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities relating to other information'. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 is 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.



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- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 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 litigation 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 amount 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 it's 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 it's 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, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of clause iv above, contain any material mis-statement ; and
 - v. The Company has neither declared nor paid any dividend during the year.



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3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration (if any) paid by the Company to its directors is within the limits laid prescribed under Section 197 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: 22505676AJVZBY1946



Place: Gurugram
Date: May 30, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED FOR THE YEAR ENDED MARCH 31, 2022

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

V.2.2022

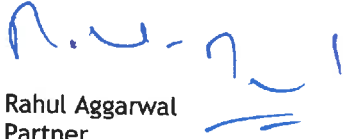


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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear 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: 22505676AJVZBY1946

Place: Gurugram
Date: May 30, 2022

V.2.2022

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ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED FOR THE YEAR ENDED March 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date]

i.

(a)

A. The Company has maintained proper records showing full particulars, including quantitative detail]s and situation of Property, Plant and Equipment.

B. According to the information and explanation given to us, there are no intangible assets. Accordingly, the provision stated in paragraph 3(i)(a)(B) of the Order are not applicable to the Company.

(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, a portion of Property, Plant and Equipment has been physically verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) in the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets). Accordingly, the requirements under paragraph 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 are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The inventory (excluding goods in transit and stocks with third parties) has been physically verified by the management during the year. In respect of inventory with third parties, written confirmation have been obtained by the management. In our opinion, the frequency, coverage and procedure of such verification is reasonable. 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. The quarterly revised returns and statements, related to adjusted balances of components of net current assets (as represented by the Company to respective banks) i.e. Accounts receivables (excluding balances with domestic parties within the group (controlled by ultimate holding company, LT Foods Limited)), Accounts payable (excluding expense payables, service vendors, payables for packing and consumables and balances with domestic parties within the group (controlled by ultimate holding company, LT Foods Limited)) and inventory, for the first three quarters 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. We have been informed that the Company is in the process of filing statement for the 4th quarter with respective banks.



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- iii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any investments 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 during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the directors is interested, accordingly provision of section 185 of the Act are not applicable to the Company. The Company has not made investments through more than two layers of investment companies. Accordingly, provision stated in paragraph 3(iv) of the order not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provision stated in paragraph 3(v) of the order not applicable to the Company.
- vi. The provision 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 provision stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii.
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues in respect of goods and services tax, professional tax and employee state insurance, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including value added tax, income tax, duty of customs, duty of excise, sales tax, service tax, cess and other statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, employee' state insurance, income-tax, duty of customs, duty of excise, sales tax, service tax, cess and other statutory dues were in arrears as at March 31, 2022 for a period more than six months from the date they became payable.
 - (c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessments of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 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.
 - (b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.



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- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
 - (d) In our opinion and according to the information and explanations provided to us, and procedures performed by us, and on overall examination of the financial statements of the Company, we report that no funds on short-term basis have been used for the long-term purposes by the Company.
 - (e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, the Company does not hold any investment in any subsidiary or joint venture or associate (as defined under the Act) during the year ended March 31, 2022. Accordingly, the provision stated in paragraph 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x.
- (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 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, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi.
- (a) During the course of our audit, 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) 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 explanation given to us, a report under section 143(12) of the act, in Form ADT-04, as prescribed under rule 13 of the Companies (Audit and auditors) Rules, 2014 was not required to be filed with the central government. Accordingly, the reporting under clause 3(xi)(b) of the order is not applicable to the company.
 - (c) 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 explanation given to us, and as represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order is not applicable to the Company.
- 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 accounting standards.



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- xiv.
- (a) In our opinion and based on our examination, 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 for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45 I-A of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
 - (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid certificate of registration from Reserve Bank of India during the year. Accordingly, the reporting under paragraph clause 3 (xvi)(b) of the Order is 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 paragraph clause 3 (xvi)(c) of the Order is not applicable to the Company.
 - (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the core investment companies (Reserve Bank) Directions, 2016) does not have any CIC. Hence, the provisions stated in paragraph 3(xvi)(d) not applicable to 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 in paragraph clause 3 (xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated in paragraph clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us on the basis of the financial ratios, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has during the year spent the amount of corporate social responsibility as required under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the order is not applicable to the Company.

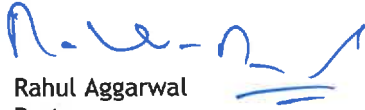


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xxi. The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

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



Rahul Aggarwal
Partner

Membership No. 505676
UDIN:22505676AJVZBY1946

Place: Gurgaon

Date: May 30, 2022

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ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ECOPURE SPECIALITIES LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[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, 2022]

Report on the Internal Financial Controls 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, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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



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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.

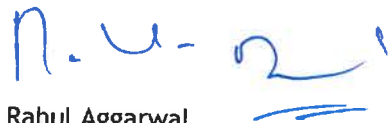
Opinion

In our opinion, the company has, in all material respects, 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, 2022, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance note.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 22505676AJVZBY1946

Place: Gurugram

Date: May 30, 2022

Ecopure Specialities limited
Balance sheet as at March 31, 2022

	Notes	March 31, 2022 (Rs. In Lakhs)	March 31, 2021 (Rs. In Lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	2,139.96	2,531.34
Right of use assets	4 (b)	265.26	267.84
Capital work-in-progress	4(a)	70.01	13.21
Financial assets			
i) Other financial asset	5 (a)	77.11	95.52
Deferred tax assets (net)	6	39.54	-
Non current tax assets (net)	7	2.36	-
Total non-current assets		2,594.24	2,907.91
Current assets			
Inventories	8	4,550.58	3,991.74
Financial assets			
i) Trade receivables	5 (b)	4,112.84	1,163.41
ii) Cash and cash equivalents	5 (c)	29.21	128.12
iii) Other financial assets	5 (a)	331.01	1,637.38
Other current assets	9	2,159.10	1,224.68
Total current assets		11,182.74	8,145.33
Total assets		13,776.98	11,053.24
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	362.14	362.14
Other equity			
Reserves and surplus	11	1,874.58	1,840.55
Total equity		2,236.72	2,202.69
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	12 (a)	4,425.35	4,665.35
ii) Lease Liabilities	12 (b)	18.03	18.03
Provisions	14	7.09	3.28
Deferred tax liabilities (net)	6	-	26.05
Total non-current liabilities		4,450.47	4,712.72
Current liabilities			
Financial liabilities			
i) Borrowings	12 (a)	2,540.00	950.39
ii) Trade payables			
a) total outstanding dues of micro and small enterprises	12 (c)	48.42	48.34
b) total outstanding dues other than (ii) (a) above	12 (c)	4,083.50	2,717.83
iii) Lease Liabilities	12 (b)	2.58	2.58
iv) Other financial liabilities	12 (d)	333.11	306.74
Other current liabilities	13	44.24	47.19
Provisions	14	0.81	0.33
Current tax liabilities	15	37.13	64.43
Total current liabilities		7,089.79	4,137.83
Total liabilities		11,540.26	8,850.55
Total equity and liabilities		13,776.98	11,053.24

Statement of significant accounting policies

1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

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

For MSKA & Associates
Chartered Accountants
Firm Registration Number : 105047W

Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram

Date : 20/5/22

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

Rohan Grover
Director
DIN No. 06649349

Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram

Date : 20/5/22

Place: Gurugram

Date : 20/5/22

Ecopure Specialities limited
Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Notes	Year ended March 31, 2022 (Rs. in Lakhs)	Year ended March 31, 2021 (Rs. in Lakhs)
Income			
Revenue from operations	16	38,303.12	19,880.92
Other income and other gains/(losses)	17	1,368.12	1,942.83
Total income		39,671.24	21,823.75
Expenses			
Cost of materials consumed	18	20,695.42	15,930.06
Purchase of stock-in-trade		10,013.01	4,574.78
Changes in inventories of Semi Finished goods, Finished goods and Stock-in-trade	19	933.56	(3,337.79)
Employee benefit expense	20	229.22	82.60
Finance costs	21	537.07	375.85
Depreciation and amortisation expense	22	468.41	287.75
Other expenses	23	6,706.70	2,580.07
Total expenses		39,583.39	20,493.32
		87.85	1,330.44
Income tax expense			
- Current tax	25	69.55	212.70
- Deferred Tax		(53.05)	94.83
Total Tax expense		16.50	307.53
Profit for the year		71.35	1,022.90
Other Comprehensive Income			
<u>1. Items that will not be reclassified to profit or loss:</u>			
Remeasurement of post employment benefit obligations {Gain/(Loss)}		0.99	-
Income tax relating to these items	6	(0.25)	-
<u>Items that will be reclassified to profit or loss:</u>			
Profit/(Loss) on cashflow hedge reserve		(50.85)	87.70
Income tax relating to these items	6	12.79	(22.08)
Other comprehensive income/(loss) for the year, net of tax		(37.32)	65.62
Total comprehensive income/(loss) for the year		34.03	1,088.52
Earnings and diluted per equity share of Rs. 10 each : Basic and diluted (Rs.)	24	1.97	75.15

Statement of significant accounting policies

1

The accompanying summary of significant accounting policies and other explanatory 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 MSKA & Associates
Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram

Date : 21/5/22

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



Rohan Grover
Director
DIN No. 06649349

Place: Gurugram

Date : 21/5/22



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram

Date : 21/5/22

Ecopure Specialities limited
Statement of Cash Flows for the Year ended March 31, 2022

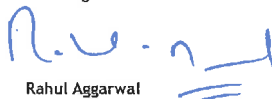
Particulars	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	87.85	1,330.44
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	468.41	287.75
Interest income	(16.97)	(19.08)
Fair value changes on interest rate swap	32.82	-
Unrealised (Gain)/Loss on Commodity future contracts	-	(266.35)
Unrealised gain on foreign currency transaction	1.81	(11.25)
Provision on Employee Benefits	5.28	-
Finance cost	507.51	345.78
Profit on sale of property, plant and equipment	(1.22)	(9.04)
Operating profit before working capital changes	1,085.49	1,658.25
Movement for working capital:		
Increase/ (Decrease) in trade payables	1,362.78	902.73
Increase/(Decrease) in other financial liabilities	12.58	6.26
Increase/(Decrease) in other current liabilities	(2.95)	20.48
(Increase)/ Decrease in trade receivables	(2,948.26)	(87.30)
(Increase)/ Decrease in inventories	(558.83)	(3,376.66)
(Increase)/ Decrease in other financial assets	1,074.84	(525.99)
(Increase)/ Decrease in other current assets	(936.68)	(646.43)
(Increase)/ Decrease in other Provision	-	3.61
Cash generated/(used in) operations	(911.03)	(2,045.06)
Direct taxes paid (net of refunds)	(99.21)	(147.64)
Net cash (used in) operating activities	(1,010.24)	(2,192.69)
B. Cash flow from investing activities		
	(337.07)	(1,851.62)
Purchase of property, plant equipment and intangible assets (including capital work-in-progress)		
Sale proceeds from property, plant and equipment	197.81	819.15
Interest received	16.97	19.08
Proceeds/(Investment) in fixed deposits	199.05	(217.21)
Net cash (used in) investing activities	76.76	(1,230.60)
C. Cash flow from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	-	1,500.00
Proceeds from/(repayment) of non current borrowings	(240.00)	1,140.00
Proceeds from/(repayment) of Current borrowings (net)	1,589.61	710.39
Interest paid	(515.04)	(261.58)
Net cash from financing activities	834.57	3,088.81
Net increase in cash and cash equivalents	(98.91)	(334.46)
Cash and cash equivalents at the beginning of the year	128.12	462.58
Cash and cash equivalents at the end of the year	29.21	128.12
Cash and cash equivalents comprises:		
Cash on hand	1.08	0.11
Balances with the banks:		
- in current accounts	28.13	128.01
	29.21	128.12

Statement of significant accounting policies 1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

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

For MSKA & Associates
Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram

Date : 2/5/22

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



Rohan Grover
Director
DIN No. 06649349

Place: Gurugram

Date : 24/5/22



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram

Date : 24/5/22

Ecopure Specialities limited
Statement of Changes in Equity for the year ended March 31, 2022

a) Equity share capital

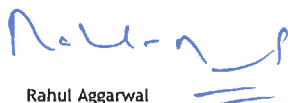
	Notes	Rs. in Lakhs
Balance as at April 01, 2020	10	5.00
Changes during the year		357.14
Balance as at March 31, 2021	10	362.14
Changes during the year		-
Balance as at March 31, 2022	10	362.14

b) Other equity

	Notes	Retained Earnings	Security Premium	Cash flow hedging reserve	Total
Balance as at April 1, 2020	11	(390.83)	-	-	(390.83)
Profit for the year		1,022.90	-	-	1,022.90
Other comprehensive income/(loss)		-	-	65.62	65.62
Total comprehensive income for the year		1,022.90	-	65.62	1,088.52
Transactions with owners in their capacities as owners :					
Issue of equity shares	11	-	1,142.86	-	1,142.86
Balance as at March 31, 2021	11	632.07	1,142.86	65.62	1,840.55
Balance as at April 01, 2021	11	632.07	1,142.86	65.62	1,840.55
Profit for the year		71.35	-	-	71.35
Other comprehensive income/(loss)		-	-	(38.06)	(38.06)
Remeasurement of defined benefit obligations (net of tax)		0.74	-	-	0.74
Balance as at March 31, 2022		704.16	1,142.86	27.56	1,874.58

This is the Statement of Changes in Equity referred to in our report of even date.

For MSKA & Associates
Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date: 20/5/22

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



Rohan Grover
Director
DIN No. 06649349

Place: Gurugram
Date: 24/5/22



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date: 24/5/22

ECOPURE SPECIALITIES LIMITED
FOR THE YEAR ENDED MARCH 31, 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

Ecopure Specialities Limited ('the Company') was incorporated on September 5, 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. Significant 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

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/ noncurrent 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.

(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 1, 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.



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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes taxes and duties collected on behalf of the government. The Company recognizes revenue from the following major sources:

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 rice 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

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(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

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and;
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.



The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instruments that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

c. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.



d. De-recognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset continues to be recognised to the extent of continuing involvement in the financial asset.

e. Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(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.

Estimated useful life as given below:

Class of Property, plant and equipment	Useful life
Buildings	30/5/3 Years
Plant and Machinery	15/8 Years
Office Equipment	5/3 Years
Vehicles	8 Years
Computers	3 Years
Lab Equipments	5 Years

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 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).

(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) 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.

(xx) Employee benefits

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as financial liabilities in the balance sheet.

ii. Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation using the Projected Unit Credit method at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.



iii. Gratuity obligation

The Company provides for gratuity, a Defined Benefit Plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. The Gratuity Fund is recognized by the income tax authorities and is administered through trustees. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yield at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(xxi) 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.

(xxii) Fair value measurement

The Company measures financial instruments, such as derivatives and certain investments 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.

(xxiii) 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.

(xxiv) 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. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements:

The areas involving critical estimates or judgements are:

- Estimated useful life of tangible assets - Note 4
- Estimation of defined benefit obligations - Note 32

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Ecopure Specialities Limited

Notes forming part of the financial statements for the Year ended March 31, 2022

Note 4(a) : Property, plant and equipment

Description	(Rs. In Lakhs)					Total
	Building	Plant and machinery	Vehicles	Office equipment	Computers	
Period ended March 31, 2021						
Gross carrying amount						
Opening gross carrying amount	317.42	1,115.83	12.88	15.74	0.19	1,462.06
Additions during the year	953.21	1,233.83	31.30	53.10	9.68	2,298.56
Disposals during the year	(283.02)	(733.50)	-	-	-	(1,016.52)
Closing gross carrying amount	987.61	1,616.16	44.18	68.84	9.87	2,744.10
Accumulated depreciation						
Opening accumulated depreciation	3.52	129.40	0.35	0.22	-	133.49
Depreciation charge during the year	84.33	186.01	4.93	8.18	0.47	285.68
Disposals during the year	(16.31)	(190.10)	-	-	-	(206.41)
Closing accumulated depreciation	71.54	125.31	5.28	8.40	0.47	212.76
Net carrying amount	916.07	1,490.85	38.90	60.44	9.40	2,531.34
Period ended Mar 31, 2022						
Gross carrying amount						
Opening gross carrying amount	987.61	1,616.16	44.18	68.84	9.87	2,744.10
Additions during the year	20.44	243.93	-	1.84	4.83	271.04
Disposals during the year	-	(216.95)	-	-	-	(216.95)
Closing gross carrying amount	1,008.05	1,643.14	44.18	70.68	14.70	2,798.19
Accumulated depreciation						
Opening accumulated depreciation	71.54	125.31	5.28	8.40	0.47	212.76
Depreciation charge during the year	143.22	268.58	12.16	27.87	6.92	465.83
Disposals during the year	-	(20.36)	-	-	-	(20.36)
Closing accumulated depreciation	214.76	373.53	17.44	36.27	7.39	658.23
Net carrying amount	793.29	1,269.61	26.74	34.41	7.31	2,139.96

Notes:

(i) Contractual obligations

Refer to Note 30 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(ii) Details of depreciation expense are stated in Note 22 on Depreciation and amortisation expense.

(iii) Additions during the year include assets purchased from its holding company amounting to Rs. 68.35 Lakhs as stated in Note 31.



(iv) Disposal during the year include assets sale to its Holding company amounting to Rs. 197.81 Lakhs as stated in Note 31.

(iv) Critical Judgement:

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.

(v) Refer to note 34 for information on property, plant and equipment pledged as security by the Company.

Capital work-in-progress

(Rs. In Lakhs)	
As at March 31, 2022	As at March 31, 2021
70.01	13.21
70.01	13.21

Movement in capital work in progress:

	Amount
Balance as at April 01, 2020	958.80
Add: Additions during the year	13.21
Less: Capitalisation during the year	(958.80)
Balance as at March 31, 2021*	13.21
Balance as at April 01, 2021	13.21
Add: Additions during the year	70.01
Less: Capitalisation during the year	(13.21)
Balance as at March 31, 2022**	70.01

* Capital work-in-progress as at March 31, 2021 mainly comprises of plant and machinery and building etc.

** Capital work-in-progress as at March 31, 2022 mainly comprises of plant and machinery and building etc.

Ageing of Capital work in progress is as below:

As at March 31, 2022	Amount in CWIP for a period of			Total
	Less than 1 year	2-3 Years	More than 3 Years	
CWIP				
Project in Progress	70.01	-	-	70.01
Project temporarily Suspended	-	-	-	-
As at March 31, 2021				
CWIP				
Project in Progress	13.21	-	-	13.21
Project temporarily Suspended	-	-	-	-



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 4(b) : Right of use assets

Following are the changes in the carrying value of right to use of the assets for the year end March 31, 2022

(Rs. In Lakhs)

Particulars	Category of Assets	Total
	Land	
Balance as at April 1, 2020	269.90	269.90
Additions	-	-
Deletion	-	-
Depreciation	(2.06)	(2.06)
Balance as at March 31, 2021	267.84	267.84

Particulars	Category of Assets	Total
	Land	
Balance as at April 1, 2021	267.84	267.84
Additions	-	-
Deletion	-	-
Depreciation	(2.58)	(2.58)
Balance as at March 31, 2022	265.26	265.26

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expenses in statement of profit and loss.

The following is the breakup of Current and Non Current lease liabilities as at March 31, 2022

Particulars	As at 31st March 2022	As at 31st March 2021
Current lease liabilities (refer note 12 (b))	2.58	2.58
Non Current lease liabilities (refer note 12 (b))	18.03	18.03

The following is the movement in lease liability during the year ended March 31, 2022

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening Balance	20.61	21.25
Additions	-	-
Finance cost accrued there on	2.58	1.93
Deletions	-	-
Payment of lease liability	(2.58)	(2.58)
Balance at the end	20.61	20.61

The table provides details regarding the contractual maturities of Lease liabilities as at March 31st 2022 on undiscounted basis:

Particulars	As at 31st March 2022	As at 31st March 2021
Less than one year	2.58	2.58
One to three years	7.72	7.72
More than three years	231.76	234.34
Total	242.06	244.64



Note 5 : Financial Assets

5(a) Other Financial assets	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non Current	Current	Non Current
Security Deposits	30.59	37.25	-	-
Foreign exchange forward contracts	36.86	-	87.70	-
Interest accrued but not due on fixed deposits	2.42	-	5.82	-
Subvention on interest expense receivable	25.03	-	-	-
Export incentive recoverable	195.76	-	145.39	-
Bank deposits*	40.35	39.86	183.78	95.52
Margin money recoverable**	-	-	1,214.69	-
Total other financial assets	331.01	77.11	1,637.38	95.52

*There are some deposits which are restricted as they are held as margin money deposits against guarantees given by the Company amounting to Rs 75.78 Lakhs (In previous year Rs 155.66 lakhs.)

** The amount represents mark to market of commodity derivatives.



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 5 (b) : Trade receivables		
Trade receivables	290.70	1,163.41
Receivables from related parties (refer note 31)	3,822.14	-
Total Receivables	4,112.84	1,163.41
Break-up of security details		
Trade receivable considered good- Secured	-	-
Trade receivable considered good- Unsecured	4,112.84	1,163.41
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Total	4,112.84	1,163.41
Less: Allowance for doubtful debts	-	-
Total Trade receivables	4,112.84	1,163.41

(i) Includes receivables from companies in which Director of the Company is also a Director

Ageing for trade receivable from due date of payment for each of the category as at 31 March,2022

Particulars	Not Due	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivable - Considered Good	3,238.49	874.35	-	-	-	-	4,112.84
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Total	3,238.49	874.35	-	-	-	-	4,112.84

Ageing for trade receivable from due date of payment for each of the category as at 31 March,2021

Particulars	Not Due	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivable - Considered Good	648.21	515.19	-	-	-	-	1,163.41
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Total	648.21	515.19	-	-	-	-	1,163.41

Note 5 (c): Cash and cash equivalents

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Cash on hand	1.08	0.11
Balances with banks	-	-
- In current accounts	26.13	128.01
-Deposits with original maturity Less than 3 months	2.00	-
	29.21	128.12

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.



	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 6 : Deferred tax assets/(Deferred tax Liability)		
The balance comprises temporary differences attributable to:		
Deferred Tax Assets:		
Provision for employees benefits	1.99	0.91
Depreciation	29.29	-
Derivative Component	8.26	-
Total	39.54	0.91
Deferred tax liabilities:		
Depreciation	-	4.89
Derivative Component	-	22.08
Net deferred tax assets/(liabilities)*	39.54	(26.06)

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

Movement in deferred tax assets (net)

	Provision for employees benefits	Unabsorbed Losses	Depreciation	Derivative MTM	Total
As At March 31, 2020	-	94.88	(4.03)	-	90.85
(Charged)/credited:					
- to profit or loss	0.91	(94.88)	(0.86)	-	(94.83)
- to Other comprehensive income	-	-	-	(22.08)	(22.08)
As at March 31, 2021	0.91	-	(4.89)	(22.08)	(26.06)
(Charged)/credited:					
- to profit or loss	0.83	-	34.18	17.54	52.55
- to Other comprehensive income	0.25	-	-	12.79	13.04
As at March 31, 2022	1.99	-	29.29	8.26	39.54

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 7 : Non current tax assets (net)		
Advance income tax (Net of Provision for Tax Rs 37.13 Lakhs)	2.36	-
Total Non current tax assets (net)	2.36	-



Ecopure Specialities limited

Notes forming part of financial statements for the year ended March 31, 2022

Note 8 : Inventories	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Raw materials	1,634.75	148.51
Semi-Finished Goods	849.84	114.08
Finished Goods(including goods in transit of Rs. 430.73 lakhs, March 31, 2021 Rs. 1548.37 lakhs)	1,558.14	1,874.39
Traded goods	188.53	1,681.70
Stores and spares	210.48	70.38
Packing Material	108.84	102.68
Total inventories	4,550.58	3,991.74

Note 9 : Other current assets	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance to employees	0.50	-
Capital advance	59.93	62.19
Prepaid expenses	20.53	122.36
Advances to vendors	1,166.60	150.15
Balance with government authority	890.59	889.98
Advance to related parties	20.95	-
Total other current assets	2,159.10	1,224.68

(i) Includes advance to companies in which director of the company is also a director

20.95

-



Note 10 : Equity share capital

	Number of shares	(Rs. in Lakhs)
Authorised share capital (par value of Rs 10 each)		
As at March 31, 2020	1,00,000	10.00
Increase during the year	36,00,000	360.00
As at March 31, 2021	37,00,000	370.00
Increase during the year	-	-
As at Mar 31, 2022	37,00,000	370.00

(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 March 31, 2020	50,000	5.00
Add: Shares issued during the year	35,71,430	357.14
As at March 31, 2021	36,21,430	362.14
Add: Shares issued during the year	-	-
As at March 31, 2022	36,21,430	362.14

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

Particulars	As At March 31, 2022		As At March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Nature Bio Foods Ltd. - Holding company	36,21,430	100.00000%	36,21,430	100.00000%

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

Particulars	As At March 31, 2022		As At March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Nature Bio Foods Ltd. - Holding company	36,21,430	100.00000%	36,21,430	100.00000%

(iv) Details of Promoter shareholders holding in the Company as on March 31, 2022

Name of the Promoter	As At March 31, 2022		As At March 31, 2021		% Change in the year
	Number of shares	% of Total Shares	Number of shares	% of Total Shares	
Mr. Ashwani Kumar Arora (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Mr. Surinder Kumar Arora (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Mr. Ritesh Arora (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Mr. Anmol Arora (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Mr. Parmod Kumar (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Mr. Rohan Grover (Refer note 1)	1	0.00003%	1	0.0000%	0.00
Nature Bio Foods Ltd.	36,21,424	99.99983%	36,21,424	99.9998%	0.00
Total Shares	36,21,430	100.00000%	36,21,430	100.0000%	0.00

Note 1 : Nominee shareholder on behalf of Nature Bio foods Limited

Note 11 : Reserves and Surplus

Particulars	As At March 31, 2022	As At March 31, 2021
Retained earnings	704.16	632.07
Securities premiums	1,142.86	1,142.86
Cash flow hedging reserves	27.56	65.62
Total Reserves & Surplus	1,874.58	1,840.55

(i) Retained earnings

	As At March 31, 2022	As At March 31, 2021
Balance at the beginning of the year	632.07	(390.83)
Net profit for the year	71.35	1,022.90
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment defined benefit obligation, net of tax	0.74	-
Balance at the end of the year	704.16	632.07

(ii) Securities premium

	As At March 31, 2022	As At March 31, 2021
Balance at the beginning of the year	1,142.86	-
Add: Securities Premium on issue of equity shares	-	1,142.86
Balance at the end of the year	1,142.86	1,142.86

(iii) Cash flow hedging reserves

	As At March 31, 2022	As At March 31, 2021
Balance at the beginning of the year	65.62	-
Less: Change during the year (Refer note (a) below)	(38.06)	65.62
Balance at the end of the year	27.56	65.62

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 12 : Financial Liabilities

	As at March 31, 2022		As at March 31, 2021	
	Long term	Short Term	Long term	Short Term
Note 12 (a) Borrowings				
Unsecured:				
Borrowings from Holding Company	3,765.35	-	3,765.35	-
Secured:				
Term Loan	660.00	240.00	900.00	240.00
Packing credit loan from Banks	-	2,300.00	-	710.39
	4,425.35	2,540.00	4,665.35	950.39

(i) Unsecured borrowings

As per loan agreement between Holding Company and Ecopure, loan is payable within 5 years i.e 60 months and carrying interest rate is 8% p.a.

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

(a) Term Loan security:

Term loan from banks are secured by charge on movable and immovable fixed asset of the company both current and future. These are further secured by personal guarantee of Mr. Vijay Kumar Arora, Mr. Ashwani Arora & Mr. Surinder Kumar Arora along with a corporate guarantee of LT Foods Ltd.

It is repayable in tenor of 60 equal monthly installments and interest on the above loans are linked to 1 Year MCLR+2.65% i.e. 11.5%p.a. However, the Company have entered into the Swap contract (Fixed rate 10.75% PA) with Indusind Bank for term loan which was outstanding as on March 31, 2022 amounting to INR 900 lakhs

(a) Packing credit loan security:

Packing credit loan from banks are secured by hypothecation of both present and future entire current asset. These are further secured by personal guarantee of Mr. Vijay Kumar Arora, Mr. Ashwani Arora & Mr. Surinder 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 rate with Indusind Bank is 9% linked to 6 months MCLR + 0.50% and SBM 8.85% linked to 6 months MCLR

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 34.

(iii) Details of guarantee for each type of borrowings

Guaranteed by directors and by ultimate holding company

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Term Loan (including Current maturities)	900.00	1,140.00
Packing credit loan from Banks	2,300.00	710.39
	3,200.00	1,850.39

(iv) Net debt reconciliation

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

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	29.21	128.12
Short borrowings (including current maturities)	(2,540.00)	(950.39)
Long term borrowings	(4,425.35)	(4,665.35)
Net Debt	(6,936.14)	(5,487.62)

Particulars	(Rs. In Lakhs)				
	Cash and cash equivalents	Short term Borrowings	Current maturities of long term borrowings	Long term Borrowings	Total
Net debt as on April 01, 2020	462.58	-	-	(3,765.35)	(3,302.77)
Cash & Cash Equivalent Movement	(334.46)	-	-	-	(334.46)
Cash movement of loan :					
-Proceeds	-	(2,075.00)	-	(1,200.00)	(3,275.00)
-Repayment	-	1,364.61	-	60.00	1,424.61
Current maturities of long term borrowings	-	-	(240.00)	240.00	-
Interest expense	-	13.18	-	332.60	345.78
Interest paid	-	(13.18)	-	(248.40)	(261.58)
Interest payable	-	-	-	(84.19)	(84.19)
Net debt as on March 31, 2021	128.12	(710.39)	(240.00)	(4,665.34)	(5,487.62)
Cash & Cash Equivalent Movement	(98.91)	-	-	-	(98.91)
Cash movement of loan :					
-Proceeds	-	(18,450.00)	-	-	(18,450.00)
-Repayment	-	16,860.39	240.00	-	17,100.39
Current maturities of long term borrowings	-	-	(240.00)	240.00	-
Interest expense	-	84.14	-	423.37	507.51
Interest paid	-	(84.14)	-	(423.37)	(507.51)
Interest payable	-	-	-	-	-
Net debt as on March 31, 2022	29.21	(2,300.00)	(240.00)	(4,425.35)	(6,936.14)



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 12 (b) : Lease liabilities		
Non- Current		
Lease liability payable beyond 12 months	18.03	18.03
Current		
Lease liability payable within 12 months	2.58	2.58
Total	20.61	20.61

	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 12 (c) : Trade payables		
Trade Payables: Micro and small enterprises (Refer note 29)	48.42	48.34
Trade payable : Others	1,644.43	979.16
Trade payable to related Parties (Refer note 31)	2,439.07	1,738.67
Total trade payables	4,131.92	2,766.17

Ageing for trade payable from due date of payment for each of the category as at 31 March, 2022

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	8.30	40.12	-	-	-	48.42
(ii) Other	322.63	3,596.27	0.26	-	-	3,919.16
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
Add : Unbilled Dues	330.93	3,636.39	0.26	-	-	3,967.58
Total Trade Payable	330.93	3,636.39	0.26	-	-	4,131.92

Ageing for trade payable from due date of payment for each of the category as at 31 March, 2021

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	10.49	37.85	-	-	-	48.34
(ii) Other	403.25	2,265.04	-	-	-	2,668.29
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
Add : Unbilled Dues	413.74	2,302.89	-	-	-	2,716.63
Total Trade Payable	413.74	2,302.89	-	-	-	2,766.17

	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Note 12 (d) : Other current financial liabilities		
Interest rate swaps - Derivatives	32.82	-
Employees benefits payable	21.40	8.83
Capital creditors	7.78	19.27
Interest Payable on Loan from Holding Company	271.11	278.64
Total other current financial liabilities	333.11	306.74



Note 13 : Other current liabilities

	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Statutory dues	40.36	25.71
Advances from customers	3.88	21.48
Total other current liabilities	44.24	47.19

Note 14 : Provisions

	As at March 31, 2022		As at March 31, 2021	
	Current	Non Current	Current	Non Current
(i) Employee benefit obligations				
Gratuity	0.01	3.27	-	0.89
Compensated absences	0.80	3.82	0.33	2.39
Total provisions	0.81	7.09	0.33	3.28

Note 15 : Current tax liabilities

	As at March 31, 2022	As at March 31, 2021
Provision for taxation (Net of Advance tax of Rs 17.00 Lakhs (March 31, 2021 Rs 148.26 Lakhs)	37.13	64.43
Total current tax liabilities	37.13	64.43



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 16 : Revenue from operations	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products		
Export	32,430.79	11,456.85
Domestic	5,872.33	8,424.07
	38,303.12	19,880.92
*Details of products sold		
-Finished goods sold		
Soya bean	19,240.60	16,384.52
Oilseeds	4,360.68	-
-Traded goods sold		
Rice	12,082.74	2,866.62
Others (refer note 1 below)	2,619.10	629.78
Total revenue from operations	38,303.12	19,880.92

Note 1 : Company had sales of oil seeds amounts to Rs 307.95 lakhs in previous financial year. Company was trading in oilseeds hence the same has been taken in traded goods others

Note 17 : Other income and other gains/(losses)	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Other income		
Export incentives	445.80	157.27
Interest income from financial assets at amortised cost :		
(i) Deposits with banks	16.97	11.58
(ii) Others	-	7.50
Profit on Sale of Fixed Assets	1.22	9.04
Gain on Commodity Future Contracts	740.85	1,732.27
Miscellaneous Income	1.16	7.13
Total other income	1,206.00	1,924.79

(b) Other gains/ (losses)	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Net gain/(loss) on foreign currency transaction and translations	162.12	18.04
Total other gain/(losses)	162.12	18.04
Total (a+b)	1,368.12	1,942.83



	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Note 18 : Cost of materials consumed		
a) Cost of raw material consumed		
Inventory at the beginning of the year	148.51	202.99
Add : Purchases during the year	21,899.52	15,711.29
	22,048.03	15,914.28
Less : Inventory at the end of the year	1,634.75	148.51
Cost of raw material consumed during the year (a)	20,413.28	15,765.77
b) Cost of packing material consumed		
Inventory at the beginning of the year	102.68	9.33
Add : Purchases during the year	288.30	257.64
	390.98	266.97
Less : Inventory at the end of the year	108.84	102.68
Cost of packing material consumed during the year (b)	282.14	164.29
Cost of material consumed during the year (a+b)	20,695.42	15,930.06

Note 19 : Changes in inventories of Semi finished goods, Finished goods and Traded goods

	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
Semi finished goods	114.08	21.50
Finished Goods	1,874.39	249.98
Stock in Trade and others	1,752.08	131.28
Total inventories at the beginning of the year	3,740.55	402.76
Inventories at the end of the year		
Semi finished goods	849.84	114.08
Finished Goods	1,558.14	1,874.39
Stock in Trade and others	399.01	1,752.08
Total inventories at the end of the year	2,806.99	3,740.55
Net (increase)/decrease	933.56	(3,337.79)



Note 20 : Employee benefits expense	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	195.45	60.96
Contribution to provident and other funds*	14.74	3.86
Leave compensation	2.09	2.80
Gratuity	3.38	0.89
Staff welfare expenses	13.56	14.09
Total Employee benefit expense	229.22	82.60

*For descriptive notes on disclosure of defined benefit obligation, refer note 32 - Employee benefit obligations.

Note 21 : Finance costs	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense on :		
(i) Borrowings (net of subvention interest income of Rs.80.07 lakhs, March 31, 2021 Rs.15.34 Lakhs)	507.51	345.78
(b) Bank charges	29.56	30.07
Total finance costs	537.07	375.85



Note 22 : Depreciation and amortisation expense

- (i) Depreciation of property, plant and equipment (refer note 4(a))
(ii) Amortization on Right to use asset (refer note 4(b))
Total Depreciation and amortisation expense

		(Rs. In Lakhs)	
		Year ended March 31, 2022	Year ended March 31, 2021
		465.83	285.69
		2.58	2.06
		468.41	287.75

Note 23 : Other expenses

- Milling charges and other process charges
Rent
Power and fuel
Labour Charges
Insurance charges
Rates and taxes
Auditors' remuneration (refer note 23 (a) below)
Telephone and communication charges
Legal and professional charges
Repairs and maintenance
 -Plant and machinery
 -Buildings
 -Others
Conveyance
Tour and travelling expenses
Corporate social responsibility expenditure (refer note (23 (b) below)
Freight, Clearing and Forwarding
Testing, inspection and certification
Business promotion
Brokerage and commission
Commission guarantee
Fair Value changes on interest rate swap
Miscellaneous expenses
Total other expenses

		(Rs. In Lakhs)	
		Year ended March 31, 2022	Year ended March 31, 2021
		14.34	60.75
		63.04	25.87
		193.23	259.40
		37.95	16.78
		30.60	16.80
		15.24	18.22
		7.00	7.00
		3.68	2.60
		264.28	191.26
		13.78	24.95
		-	4.88
		67.40	4.26
		12.33	8.69
		12.87	11.55
		5.75	-
		5,215.07	1,711.64
		389.99	102.55
		0.17	-
		239.41	61.84
		23.51	-
		32.82	-
		64.24	51.03
		6,706.70	2,580.07

Notes 23 (a) : Auditors' remuneration comprises:

As auditor:

Statutory audit fees	4.00	4.00
Others	3.00	3.00
Total	7.00	7.00

Note 23 (b) : Corporate Social Responsibility expenditure

In accordance with the provision of section 135 of the Act , the Board of Directors of the Company has constituted a CSR Committee during the year. The details for CSR activities are as follows:

Contribution to Fair Farming Foundation	5.75	-
	5.75	-
i) Gross amount required to be spent by the company during the year	5.60	NA
ii) Amount spent during the year on the following :		
(a) Construction/acquistion of any asset	-	-
(b) On purpose other than (a) above	5.75	-
iii) Amount unspent during the year and deposited in a scheduled bank	-	-
iv) Amount spent during the year pertaining to previous year	-	-
v) Shortfall at the end of year	-	-
vi) Reason of shortfall	NA	NA
vii) Detail of related party transaction in relation to CSR expenditure as Per relevant Accounting Standard	-	-
Total	5.75	-

Nature of CSR activities : Contribution to Fair Farming Foundation which is an innovative learning organization created to improve the quality of life of underprivileged section & engaged in a broad range of development interventions in different states of India.



Ecopure Specialities limited

Notes forming part of financial statements for the year ended March 31, 2022

	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Note 24 : Earnings per share (EPS)		
Profit attributable to equity shareholders	71.35	1,022.90
Numbers of weighted average equity share outstanding at the year end for Basic & Diluted	36,21,430	13,61,155
Nominal value per share	10	10
Earnings per equity share		
Basic and Diluted (in Rs.)	1.97	75.15
Note 25 : 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	69.55	212.70
Total current tax expense	69.55	212.70
Deferred tax (refer note 6)		
Decrease/(increase) in deferred tax assets	(38.63)	93.97
(Decrease)/increase in deferred tax liabilities	(14.42)	0.86
Total deferred tax expense/(benefit)	(53.05)	94.83
Income tax expense	16.50	307.53
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income taxes	87.85	1,330.44
Tax at the India's statutory income tax rate of 25.168% (March 31, 2021: 25.168%)	22.11	334.84
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses disallowable under the Income tax act	(5.60)	(27.31)
CSR	1.45	-
Prior Period Unabsorbed Losses	-	(30.06)
Interest on Advance Tax	1.56	1.28
ROC Fee paid for increase in authorised Capital	-	1.07
Interest on Late Deposit of TDS	-	0.02
Depreciation & amortisation (leasehold land)	0.65	0.52
Rental Expenses	(0.65)	(0.64)
Interest IND AS 116	0.65	0.50
Others	(9.26)	-
Total income tax expense	16.50	307.53



Note 26 : Fair value measurements

Financial instruments by category

(Rs. in Lakhs)

Particulars	March 31, 2022			March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Other Financial assets	36.86	-	371.26	1,302.40	-	430.50
Trade receivables	-	-	4,112.84	-	-	1,163.41
Cash and cash equivalents	-	-	29.21	-	-	128.12
Total financial assets	36.86	-	4,513.31	1,302.40	-	1,722.03
Financial liabilities						
Borrowings	-	-	6,965.35	-	-	5,615.74
Other financial liabilities	32.82	-	300.29	-	-	306.74
Lease Liability	-	-	20.61	-	-	20.61
Trade payables	-	-	4,131.92	-	-	2,766.17
Total financial liabilities	32.82	-	11,418.17	-	-	8,709.26

(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, 2022			March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Derivative asset	-	36.86	-	-	87.71	-
Margin money recoverable	-	-	-	-	1,214.69	-
Financial liability						
Derivative liability	-	32.82	-	-	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:

- Asset approach - Net assets value method
- Income approach - Discounted cash flows ("DCF") method
- Market approach - Enterprise value/Sales multiple method

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.

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 management assessed that security deposits, loan to employees and related party, other financial assets, cash and cash equivalent, other bank balance, trade receivables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

Particulars	March 31, 2022			March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Other Financial assets(Other than Derivative assets and margin money recoverable)	-	-	371.26	-	-	430.50
Trade receivables	-	-	4,112.84	-	-	1,163.41
Cash and cash equivalents	-	-	29.21	-	-	128.12
Financial liabilities						
Borrowings	-	-	6,965.35	-	-	5,615.74
Other financial liabilities(Other than Derivative liability)	-	-	300.29	-	-	306.74
Lease Liability	-	-	20.61	-	-	20.61
Trade payables	-	-	4,131.92	-	-	2,766.17



Note 27 : 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
Market risk- Commodity price risk	Other financial assets	- Cash flow forecasting - Sensitivity analysis	Commodity contracts to hedge price 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 arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

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 Export incentive recoverable, bank 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.



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle 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 as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Carrying Value	Less than 3 Months			More than 1 year up to 5 year	Total
		Less than 3 Months	More than 3 months up to 12 month	More than 1 year up to 5 year		
As at March 31, 2022						
Borrowings	6,965.35	2,360.00	180.00	4,425.35	6,965.35	
Trade payables	4,131.92	3,981.11	150.81	-	4,131.92	
Other financial liabilities	353.71	29.18	306.50	239.48	575.16	
Total	11,450.98	6,370.29	637.31	4,664.83	11,672.43	
As at March 31, 2021						
Borrowings	5,615.74	770.39	180.00	4,665.35	5,615.74	
Trade payables	2,766.17	1,383.09	-	-	2,766.17	
Other financial liabilities	327.35	28.09	281.23	242.06	551.38	
Total	8,709.26	2,181.57	1,844.31	4,907.41	8,933.29	

(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.

(i) 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), Euro (EUR) and Great Britain Pound (GBP). 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:

(a) Foreign currency risk exposure

Currency	As at March 31, 2022		As at March 31, 2021	
	Foreign currency in Lakhs	Rs. in Lakhs	Foreign currency in Lakhs	Rs. in Lakhs
Trade payable				
United States Dollar (USD)	6.10	462.72	2.79	202.18
Euro (EUR)	0.21	17.86	0.21	17.60
Trade receivable				
Euro (EUR)	17.70	1,498.08	-	-
United States Dollar (USD)	33.90	2,570.04	15.28	1,111.22
Foreign exchange forward contracts (Sell foreign currency)				
United States Dollar (USD)	47.11	3,571.58	83.13	6,110.70
EURO	19.00	1,608.54	-	-

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

Particulars	As at March 31, 2022	As at March 31, 2021
EURO	84.66	86.10
USD	75.81	73.50



(a) Disclosure of effects of hedge accounting on financial position

As at March 31, 2022

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	3,610.19	-	19.09	-	8 April 2022 - 30 November 2022	1:1	75.33	19.09	(19.09)
(ii) A - Foreign exchange forward contracts - EURO	1,663.39	-	17.76	-	30 June 2022 - 31 January 2023	1:1	86.95	17.76	(17.76)

As at March 31, 2021

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
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge									
Foreign currency risk									
(i) A - Foreign exchange forward contracts - USD	6,224.68	-	87.70	-	8 April 2021 - 30 September 2021	1:1	75.12	87.70	(87.70)

(b) Disclosure of effects of hedge accounting on financial performance

For the year ended March 31, 2022

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				
(i) Foreign exchange forward contracts	(50.85)	-	76.13	Revenue

For the year ended March 31, 2021

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
Cash flow hedge				
Foreign currency risk				
(i) Foreign exchange forward contracts	87.70	-	28.54	Revenue

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	(Rs. in Lakhs)	
	March 31, 2022	March 31, 2021
Opening Balance	65.62	-
Add: Changes in fair value of forward contracts	25.28	116.24
Less: Amount reclassified to profit or loss- Loss/(Profit)	(76.13)	(28.54)
Less: Tax relating to above (net)	12.79	(22.08)
Change during the year	(38.06)	65.62
Closing Balance	27.56	65.62



(b) Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens 5% against the relevant currency. For a 5% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

	As at March 31, 2022 (Rs. in Lakhs)		As at March 31, 2021 (Rs. in Lakhs)	
	5% Weakening*	5% Strengthening*	5% Weakening*	5% Strengthening*
Foreign currency monetary liabilities :				
Euro (EUR)	(0.01)	0.01	(0.01)	0.01
United States Dollar (USD)	(0.23)	0.23	(0.14)	0.14
Foreign currency monetary Assets :				
Euro (EUR)	(0.66)	0.66	-	-
United States Dollar (USD)	(1.27)	1.27	(0.76)	0.76

* Holding all other variables constant.

(D) Interest rate risk
Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2022 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, 2022	March 31, 2021
Variable rate borrowing	2,300.00	710.39
Fixed rate borrowing	4,665.35	4,905.35
Total borrowings (including Current maturities)	6,965.35	5,615.74

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, 2022 (Rs. in Lakhs)		As at March 31, 2021 (Rs. in Lakhs)	
	5% Weakening*	5% Strengthening*	5% Weakening*	5% Strengthening*
Variable rate borrowings - if rate of interest increase or decrease by 5%	3.15	(3.15)	0.49	(0.49)

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.



Ecopure Specialities limited

Notes forming part of financial statements for the year ended March 31, 2022

Note 28 : 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, 2022	March 31, 2021
Total Borrowings	6,985.96	5,636.35
Less : Cash and cash equivalents	29.21	128.12
Net debt	6,956.75	5,508.23
Total Equity	2,236.72	2,202.69
Adjusted net debt to adjusted equity ratio	3.11	2.50

(l) Under the terms of the SBM bank borrowing facilities, the Company is required to comply with the following financial covenants:

- (a) Debt/EBITDA not more than 4 times
- (c) Debt/Adj. Total Net Worth (TNW) not more than 2.5 times

Particulars	March 31, 2022
	In times
(a) Debt /EBITDA (Refer note 1)	2.92
(c) Debt/Adj. TNW not more than 2.5 (Refer note 1)	0.53

Note 1 : As per loan agreement with SBM, Debt excluding unsecured loans availed from the group companies



Note 29: 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, 2022 Rs. In Lakhs	March 31, 2021 Rs. In Lakhs
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount remaining unpaid	48.42	48.34
- Interest accrued and remaining unpaid as at year end	-	0.04
(ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
(iii) Amount paid to the suppliers beyond the respective due date.	2.93	-
(iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	0.00	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.04	0.04

Note 30: Contingencies and other commitments

(A) Contingent Liabilities

There are no contingent liabilities as at March 31, 2022 and previous year.

(B) Capital commitments

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

	March 31, 2022 (Rs. in Lakhs)	March 31, 2021 (Rs. in Lakhs)
Property Plant and equipment (Net of Advances Rs. 59.92 Lakhs, March 31, 2021 Rs. 62.19 Lakhs)	167.73	129.67
Total		



Note 31 : 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.

(iii) Key Management Personnel (KMP)

Nature of Relationship	Name of Person
Key Management Personnel	Mr. Anmol Arora, Whole Time Director Mr. Ashwani Kumar Arora, Director (w.e.f Jan 16, 2020) Mr. Suneet Gupta, Director (w.e.f Jan 16, 2020) Mr. Rajesh Kumar Srivastava, Director (w.e.f Jan 16, 2020) Mr. Surender Kumar Tuteja, Director (w.e.f Jan 16, 2020) Mr. Rohan Grover, Director (w.e.f May 01, 2020)

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	KMP	Total
		LT Foods Americas Inc.	Nature Bio Foods BV	Daawat Foods Ltd.	Nature Bio Inc.	LT Foods Ltd.		
		(Rs. In Lakhs)						
Transactions during the year:								
Sale of goods	1,269.79 (4,849.34)	6,873.39 (2,849.03)	6,910.25	-	4,169.54	-	19,222.97 (7,698.37)	
Purchase of goods	10,958.06 (3,978.22)	-	-	-	175.18	-	11,133.24 (3,978.22)	
Purchase of fixed assets	68.35 (47.06)	-	-	-	-	-	68.35 (47.06)	
Sale of Fixed Assets	197.81 (818.64)	-	-	-	-	-	197.81 (818.64)	
Rent paid	1.20 (1.20)	-	-	-	-	-	1.20 (1.20)	
Reimbursement of expenses paid	231.99 (296.80)	-	-	(0.93)	34.00	11.42 (11.78)	277.41 (309.51)	
Corporate Guarantee	-	-	-	-	-	23.51 (4.29)	23.51 (4.29)	
Interest Expenses	301.23 (301.23)	-	-	-	-	-	301.23 (301.23)	
Rent Income	(6.00)	-	-	-	-	-	(6.00)	
Reimbursement Received	-	-	4.26	-	-	-	4.26	
Proceeds from issuance of equity share capital	(1,500.00)	-	-	-	-	-	(1,500.00)	
Director's sitting fee	-	-	-	-	-	1.20 (1.80)	1.20 (1.80)	
Testing Charges	-	-	-	-	-	24.36	24.36	

C. Balance outstanding as at year end:

Nature of transactions	Holding Company	Fellow Subsidiary				Ultimate Holding Company	KMP	Total
		LT Foods Americas Inc.	Nature Bio Foods BV	Daawat Foods Ltd.	Nature Bio Inc.	LT Foods Ltd.		
		(Rs. In Lakhs)						
Balance outstanding as at year end:								
Trade receivable	-	545.46 (-)	1,498.08 (-)	-	1,778.60 (-)	-	3,822.14	
Trade payables	2,438.17 (1,732.04)	-	-	0.90 (0.94)	-	(-) (5.69)	2,439.07 (1,738.67)	
Advance to Suppliers	-	-	-	-	-	20.95	20.95	
Other Loans & Liabilities	271.11 (278.64)	-	-	-	-	-	271.11 (278.64)	
Other Non Current Financial Liability	3,765.35 (3,765.35)	-	-	-	-	-	3,765.35 (3,765.35)	
Guarantees issued by	-	(-)	(-)	(-)	(-)	3,200.00 (1,850.39)	6,400.00 (1,850.39)	

Figures in brackets represents previous year's comparatives

Note: All outstanding balances are unsecured and are payable/receivable in cash.



Note 32: Employee benefit obligations

I Defined benefit plans

(Rs. In Lakhs)

Particulars	March 31, 2022		March 31, 2021	
	Current	Non -Current	Current	Non -Current
Gratuity	0.01	3.27	-	0.89
Compensated absences	0.80	3.82	0.33	2.39
Total	0.81	7.09	0.33	3.28

A Gratuity

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

(i) Amount recognised in the Statement of Profit and Loss is as under:

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Current service cost	3.21	0.89
Interest cost	0.17	-
Past service cost	-	-
Adjustment	-	-
Amount recognised in the statement of profit and loss	3.38	0.89

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

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Present value of defined benefit obligation as at the start of the year	0.89	-
Current service cost	3.21	0.89
Interest cost	0.17	-
Actuarial loss/(gain) recognised during the year	(0.99)	-
Benefits paid	-	-
Past service cost	-	-
Present value of defined benefit obligation as at the end of the year	3.28	0.89

(iii) Actuarial assumptions

Description	March 31, 2022	March 31, 2021
Discount rate	7.18%	6.90%
Estimated Rate of Return on Plan Assets	NA	NA
Withdrawal rate	16.00%	10.81%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Rate of increase in compensation	10.00%	10.00%

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.

(iv) Sensitivity analysis :

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

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	3.28	0.89
- Impact due to increase of 1 %	(0.30)	(0.10)
- Impact due to decrease of 1 %	0.34	0.11
Impact of the change in salary increase		
Present value of obligation at the end of the year	3.28	0.89
- Impact due to increase of 1 %	0.32	0.10
- Impact due to decrease of 1 %	(0.29)	(0.09)

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.



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Notes forming part of financial statements for the year ended March 31, 2022

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

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Within next 12 months	0.01	0.00
Between 2-5 years	0.55	0.01
Beyond 5 years	2.44	0.59

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

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Present value of defined benefit obligation	3.28	0.89
Fair value of plan assets	-	-
Deficit	3.28	0.89

(vii) Expected contribution

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Expected contribution to the fund in the next year	0.01	0.00

B 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, 2022	March 31, 2021
Discount rate	7.18%	6.90%
Withdrawal rate	16.00%	10.81%
Future basic salary increase	10.00%	10.00%

Notes:

- 1 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.
- 2 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

II Defined Contribution Plans

(Rs. In Lakhs)

Description	March 31, 2022	March 31, 2021
Provident fund	12.22	3.36
Employees' State Insurance	2.52	0.50
Total	14.74	3.86



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Notes forming part of financial statements for the year ended March 31, 2022

Note 33 : 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 - Comprises of pulses, Rice Syrup 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:

Particulars	RICE		SOYABEAN		OILSEEDS		OTHERS		UNALLOCABLE		TOTAL	
	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021	Year ended 31 Mar, 2022	Year ended 31 Mar, 2021
REVENUE												
Revenue from external customers	12,082.74	2,866.62	19,240.60	16,384.52	4,360.68	307.95	2,619.10	321.83	-	-	38,303.12	19,880.91
Other Operating Revenue												
Total Segment Revenue	12,082.74	2,866.62	19,240.60	16,384.52	4,360.68	307.95	2,619.10	321.83	-	-	38,303.12	19,880.92
Other Income	87.13	-	1,029.37	1,892.27	-	-	70.15	4.76	181.47	45.80	1,368.12	1,942.83
Total Segment Income	12,169.87	2,866.62	20,269.97	18,276.79	4,360.68	307.95	2,689.25	326.59	181.47	45.80	39,671.24	21,823.75
RESULTS												
Segment Result	862.37	136.82	384.38	1,497.85	371.45	60.02	(499.63)	125.94	(483.64)	(114.32)	624.93	1,706.30
Less: Finance Cost	-	-	-	-	-	-	-	-	537.07	375.85	537.07	375.85
Segment Profit before taxation	-	-	-	-	-	-	-	-	16.50	307.53	87.83	1,330.43
Tax expense	-	-	-	-	-	-	-	-	(37.32)	65.62	16.50	307.53
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	-	-	(37.32)	65.62
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	34.03	1,088.52
Segment Assets	2,145.07	481.98	5,981.02	7,676.38	2,613.54	1,216.46	1,106.29	983.72	1,931.06	694.69	11,845.92	10,358.54
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	1,931.06	694.69
Total Assets	-	-	-	-	-	-	-	-	-	-	13,776.98	11,053.24
Segment Liabilities	2,439.73	331.69	269.51	2,492.11	518.93	-	-	-	10,548.82	8,229.44	3,228.17	2,823.80
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-	10,548.82	8,229.44
Total Liabilities	-	-	-	-	-	-	-	-	-	-	13,776.98	11,053.24
Capital Expenditure	-	-	122.55	1,225.89	-	-	-	-	74.72	784.87	197.26	2,010.76
Unallocable Expenditure	-	-	-	-	-	-	-	-	130.58	287.80	130.58	287.80
Depreciation/Amortization	-	78.27	230.70	158.78	121.33	7.73	37.18	8.04	-	-	327.85	2,298.56
Unallocable Depreciation	-	-	-	-	-	-	-	-	79.21	34.93	389.21	252.82
Segment Revenue based on the locations of the customers :												
America	-	-	-	-	-	-	-	-	-	-	24,666.73	11,456.85
Europe	-	-	-	-	-	-	-	-	-	-	7,597.46	-
Other than America, Europe & India	-	-	-	-	-	-	-	-	-	-	166.60	-
India	-	-	-	-	-	-	-	-	-	-	5,872.33	8,424.07
	-	-	-	-	-	-	-	-	-	-	38,303.12	19,880.92

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.17,953.18 lakhs (March 31, 2021 Rs. 11,098.13 lakhs) are derived from three individual customers.



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 34 : 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, 2022	March 31, 2021
Current			
Financial assets			
Trade receivable	5 (b)	4,112.84	1,163.41
Cash and cash equivalents	5 (c)	29.21	128.12
Other Financial Assets	5 (a)	331.01	1,637.38
Non-Financial assets			
Inventory	8	4,550.58	3,991.74
Other Current Assets	9	2,159.10	1,224.68
Total current assets pledged as security	(A)	11,182.74	8,145.33
Non-current assets			
Property Plant and equipment	4(a)	2,209.98	2,544.55
Total non-current assets pledged as security	(B)	2,209.98	2,544.55
Total assets pledged as security	(A+B)	13,392.72	10,689.88



Ecopure Specialities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 35 : 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:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) 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:

Description	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amounts included in contract liabilities at the beginning of the year	21.48	-
Performance obligations satisfied in current year	(21.48)	-
Amount received in the current year having outstanding performance obligations	3.88	21.48
Amounts included in contract liabilities at the end of the year	3.88	21.48

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.

Timing of revenue recognition

Revenue recognised over time	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue recognised at point in time	38,303.12	19,880.92
	38,303.12	19,880.92

Assets and liabilities related to contracts with customers

Description	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
	Non-current	Current
	3.88	21.48

Contract liabilities related to sale of goods and services

Description	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	32,430.79	11,456.85
Export	5,872.33	8,424.07
Domestic	38,303.12	19,880.92

Total revenue from operations

Reconciliation of revenue recognised with contract price

Description	(Rs. In Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Contract price	38,334.35	19,907.01
Adjustments for : Discounts	(31.23)	(26.09)
Refunds/Adjustment	-	-
Revenue from operations	38,303.12	19,880.92

Contract price
Adjustments for :
Discounts
Refunds/Adjustment
Revenue from operations



Ecopure Specialties Limited
Notes forming part of financial statements for the year ended March 31, 2022
Note 36: Disclosure of Ratios

S.No.	Name of Ratios	Formula	Numerator	Denominator	March 31, 2022	March 31, 2021	Variation	Remarks
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 Liability- Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Lease Liabilities+ Provisions + Other Current Liability	1.58	1.97	-19.87%	
2	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net Purchases	(Opening Trade Payables + Closing Trade Payables)/2	9.34	8.88	5.13%	
3	Net capital turnover ratio	Revenue / Average Working Capital	Revenue	Working Capital	9.46	8.47	11.66%	
4	Net profit ratio	Net Profit / Net Sales	Net Profit	Net Sales	0.19	5.15	-96.38%	As per the accounting rules, MTM pertains to commodity (Soyabean) hedging was booked in the previous year pertains to the purchases of current year; further changes in companies product mix impacted the ratio
5	Return on Capital employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Equity Share Capital + Other Equity + Non Current and Current borrowings + Total Lease Liabilities	6.78	21.77	-68.87%	As per the accounting rules, MTM pertains to commodity (Soyabean) hedging was booked in the previous year pertains to the purchases of current year; further changes in companies product mix impacted the ratio
6	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	3.19	46.44	-93.13%	As per the accounting rules, MTM pertains to commodity (Soyabean) hedging was booked in the previous year pertains to the purchases of current year; further changes in companies product mix impacted the ratio
7	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + short term borrowing + Non-current and current lease liabilities	Equity= Equity + Reserve and Surplus	3.13	2.57	21.97%	
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	1.40	4.55	-69.17%	As per the accounting rules, MTM pertains to commodity (Soyabean) hedging was booked in the previous year pertains to the purchases of current year; further changes in companies product mix impacted the ratio
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	3.19	46.44	-93.13%	As per the accounting rules, MTM pertains to commodity (Soyabean) hedging was booked in the previous year pertains to the purchases of current year; further changes in companies product mix impacted the ratio
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	7.41	7.45	-0.60%	
11	Trade Receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Revenue from Operations	(Opening Trade Receivables + Closing Trade Receivable)/2	14.52	17.87	-18.74%	

Note : Explanation provided only for change in the ratios by more than 25%



Ecopure Specialities limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 37:

The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. There are numerous interpretation issues relating to the judgement passed by Supreme Court dated February 28, 2019 in the matter of Surya Roshni Ltd and others v/s State of M.P. on Provident fund. The order does not specifically mention the date of applicability of this judgement, whether it will be retroactively or prospectively. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company for the previous periods, if any, can be ascertained. However, the Company has adopted the above changes prospectively.

Note 38:

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 39: Standards issued but not yet effective

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

Note 40: Transfer Pricing

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.

Note 41: Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 42:

The Company has a working capital limit of Rs. 56 lakhs. For the said facility, quarterly revised returns and statements related to net current assets i.e. Accounts receivables, Accounts payable (excluding expense payables, service vendors, payables for packing and consumables and balances with domestic parties within the group (controlled by ultimate holding company, LT Foods Limited)) and inventory as represented to respective banks, for the first three quarters 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. The Company is in the Process of filing statement for the 4th quarter with respective banks.

Note 43: 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 on the like to or on behalf of the Ultimate Beneficiaries.



(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

Note 44: Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 45: Previous year figures

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

Note 46 : Approval of financial statements

The financial statements were authorised for issue by the Board of Directors on May 24, 2022

For MSKA & Associates
Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date : 30/5/22

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



Rohan Grover
Director
DIN No. 06649349

Place: Gurugram
Date : 27/5/22



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : 27/5/22