# RE SUSTAINABILITY HEALTHCARE SOLUTIONS LIMITED

(Formerly Known as Ramky Energy and Environment Limited)

Sustainability

19TH

ANNUAL REPORT

2023-24

# CONTENT

## CORPORATE INFORMATION (as on 31st March 2024)

### BOARD OF DIRECTORS

Mr. Ramamohan Rao Rajanala
Director (DIN: 05124044)

Mr. Satyanarayana Adamala
Director (DIN: 05198294)

Mr. Bheemi Reddy Prasad Reddy
Whole Time Director (DIN: 03614865)

### KEY MANAGERIAL PERSONNEL

Mr. Srikanth Reddy Rolla
Chief Financial Officer

Mr. Manoj Kumawat
Company Secretary

### BANKERS

Axis Bank Limited

Canara Bank

### STATUTORY AUDITOR

A B V & Associates,
Chartered Accountants

8-2-686/DB/22, Plot No.22 Road No. 12, Banjara Hills Hyderabad – 500 034.

### REGISTERED & CORPORATE OFFICE:

Level 11, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad, Telangana-500081

### CORPORATE IDENTIFICATION NUMBER:

U93000TG2010PTC071850

### CONTACT:

T: +91 40 24446000
E: info@resustainability.com

Sustainability

**RE SUSTAINABILITY HEALTHCARE SOLUTIONS LIMITED**

CIN: U40105AP2006PLC049237
Registered office: Level 11B, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad – 500081, Telangana
Email: cs.reel@resustainability.com; T: +91-40-23015000

## NOTICE

**NOTICE** is hereby given that the Nineteenth (19th) Annual General Meeting of the members of Re Sustainability Healthcare Solutions Limited will be held on Tuesday, 20th August, 2024, at 10:00 A.M. at the registered office of the Company situated at Level 11B, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad – 500081, Telangana to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the company for the year ended March 31, 2024, together with the report of the board of directors and auditor's thereon.

2. To appoint a Director in place of Mr. Satyanarayana Adamala (DIN: 05198294), director, who retires by rotation and being eligible offers himself for re-appointment.

For and on behalf of the Board
**For Re Sustainability Healthcare Solutions Limited**

HEALTHCARE SOLUTIONS LIMITED

**Manoj Kumawat**
Company Secretary
Mem. No.: A72260

**Place:** Hyderabad
**Date:** 12th July, 2024

## NOTES:

1. *A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, should be duly stamped, signed and completed in all respects and must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of meeting.*
2. *A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
3. *In case of joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote.*
4. *Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.*
5. *Corporate members intending to send their authorized representatives pursuant to Section 113 of the Companies Act, 2013, to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.*
6. *The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.*
7. *An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and Para 1.2.5 of SS-2 ('Secretarial Standard of General Meeting') relating to the Special Business to be transacted at the Meeting is annexed hereto.*
8. *All documents referred to in the Notice and Explanatory Statement shall be open for inspection at the registered office of the Company at Level 11B, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad – 500081, Telangana to transact the following business on all working days between 10 a.m. to 6 p.m and also at the AGM.*
9. *The Attendance slip, proxy form and the route map of the venue of the Meeting is enclosed to this notice.*
10. *The term Financial statements referred in item 1 in the notice includes Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows for the financial year ended 31 March, 2023 along with notes to such financial statements. Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.*
11. *Members are requested to intimate the company any changes in their registered address or registered bank account by writing an email to cs.reel@resustainability.com.*
12. *The Board of Directors have recommended the Members to consider re-appointment of Mr. Mr. Satyanarayana Adamala (DIN: 05198294), who retires by rotation and being eligible, offers himself for re-appointment.*

**Proxy Form - Form MGT-11**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

**19th Annual General Meeting** : Tuesday, 20th August, 2024, at 10:00 A.M.
Name of the Member(s) : ..........................................................................
Registered address : ..........................................................................
E-mail id : ..........................................................................
Folio No./ Client ID No. :
..........................................................................
DP ID : ..........................................................................

I/We, being the member (s) holding ............ shares of the Company, hereby appoint

1. Name: ..........................................................................
Address: ..........................................................................
e-mail id: ..........................................................................
Signature: .......................................................................... or failing him/her

2. Name: ..........................................................................
Address: ..........................................................................
e-mail id: ..........................................................................
Signature: .......................................................................... or failing him/her

3. Name: ..........................................................................
Address: ..........................................................................
e-mail id: ..........................................................................
Signature: ..........................................................................

as my/our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 18thAnnual General Meeting of the company, to be held on Tuesday, 20th August, 2024, at 10:00 A.M. at the registered office of the Company situated at Level 11B, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad - 500081, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution serial No. | Resolution | Voting (optional) | | |
|---|---|---|---|---|
| **Ordinary Business** | | **For** | **Against** | **Abstain** |
| 1 | To receive, consider and adopt the audited financial statements of the company for the year ended March 31, 2024, together with the report of the board of directors and auditor's thereon. | | | |
| 2 | To appoint a Director in place of Mr. Satyanarayana Adamala (DIN: 05198294), who retires by rotation and being eligible offers himself for re-appointment. | | | |

Signed this______________________________

| | |
|---|---|
| ............................................... <br><br> Signature of the Member | Affix revenue stamp of not less than Rupees 1/- |

*Notes:*

1. *The proxy form to be effective, should be duly stamped, completed, signed and must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.*
2. *The Proxy need not be a Member of the Company*
3. *A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
4. *It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*

## ATTENDANCE SLIP

**19th Annual General Meeting:** Tuesday, 20th August, 2024, at 10:00 A.M.

Registered Folio No. / DP ID No. / Client ID :
...............................................

Number of shares held :
...............................................

Name and Address of the Shareholder/Proxy :
...............................................

I/we hereby record my presence at the 18th Annual General Meeting of the Company, held on Friday, 9th August, 2024, at 11:30 AM Level 11B, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad – 500081, Telangana.

..........................................................

Signature of the Shareholder/Proxy

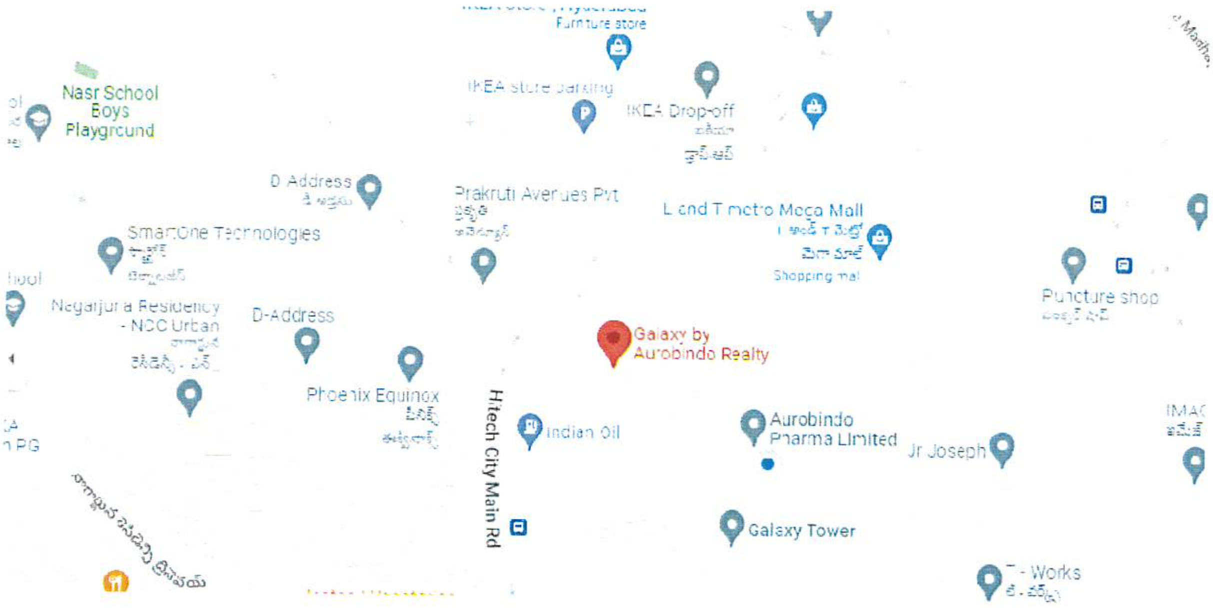
*Notes:*

*1. Shareholders attending the meeting in person or through proxy are requested to fill in the Attendance Slip and submit the same at the attendance verification counter at the entrance of Meeting hall.*

*2. Bodies Corporate, whether a Company or not, who are members, may attend through their authorized representatives appointed under Section 113 of the Companies Act, 2013. A copy of authorization should be deposited with the Company.*

*3. The Annual Report for 2023-24 and Notice of the Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all the members at their addresses registered with the Company.*

## ROUTE MAP FOR THE VENUE OF 19TH ANNUAL GENERAL MEETING:



# BOARDS' REPORT

**Dear Shareholders,**

**Your Directors have pleasure in presenting the 19th Board's Report together with the Financial Statements for the Financial Year commencing from 1st April, 2023 to 31st March, 2024 along with annexure thereto including the Report of Auditor's thereon.**

## 1. FINANCIAL HIGHLIGHTS:

Your company has prepared its financial statements for the fiscal year 2023-24 in accordance with Indian Accounting Standards (Ind AS), as required by Section 133 of the Companies Act, 2013 and the rules made thereunder. The following are the key financial highlights of the company's operations:

**(Amount in INR in Lakhs)**

| Particulars | 2023-24 | 2022-23 |
|---|---:|---:|
| Revenue from Contracts with Customers | 3,237 | 2,933 |
| Other Income | 716 | 463 |
| **Total Income** | **3,953** | **3,396** |
| Less: Expenditure | 1,800 | 1,387 |
| **Profit /Loss Before Tax (PBT)** | **2,153** | **2,009** |
| Less: Tax Expenses | 502 | 424 |
| **Profit/Loss After Tax (PAT)** | **1,651** | **1,585** |

## 2. PERFRMANCE & STATE OF AFFAIRS OF THE COMPANY:

During the financial year, your Company achieved revenue from operations of Rs. 3,237 Lakhs against Rs. 2,933 Lakhs in the previous financial year and Profit after tax of Rs. 1,651 Lakhs against the profit of Rs. 1,585 Lakhs in the previous financial year. The Board of Directors are hopeful of generating growth in income in the future years.

## 3. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED FROM THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT IS RELATED TO TILL THE DATE OF REPORT:

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

## 4. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the financial year under review, there were no changes in the nature of Business.

## 5. DIVIDEND:

With a view to conserve the resources for expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review

## 6. RESERVES:

During the year, the Company has transferred Rs. 1,668 Lakhs to reserves & surplus and has a balance of Rs. 6,504 Lakhs as on 31 March 2024 for the same.

## 7. SHARE CAPITAL

**Summary of Authorized, Issued, Subscribed, & Paid up Share Capital as on 31st March, 2024 are as follows:**

**Authorised Share capital:**

| Particulars of Share capital | Amount in INR |
|---|---|
| **Equity Shares:**<br>80,000 shares of INR. 10/- each | 8,00,000 |
| **0.001% Cumulative Convertible Redeemable Preference Shares (CRPS)**:<br>4,19,20,000 Shares of INR. 10/- each | 41,92,00,000 |
| **Total** | **42,00,00,000** |

**Issued, Subscribed and Paid–up capital:**

| Particulars of Share capital | Amount in INR |
|---|---|
| **Equity Shares:**<br>78,816 shares of INR. 10/- each | 7,88,160 |
| **0.001% Cumulative Convertible Redeemable Preference Shares (CRPS)**:<br>4,12,92,800 Shares of INR. 10/- each | 41,29,28,000 |
| **Total** | **41,37,16,160** |

There are no change in the Authorised, Issued, Subscribed and Paid-up share capital of the Company during the year under review.

## 8. ANNUAL RETURN

Pursuant to the provision of section 92(3) of the Companies Act, 2013, every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company is not required to have a website, the Annual return will be filed with the Registrar of Companies, Ministry of Corporate Affairs and available at the Registered Office of the Company, on prior request from the members of the Company. The members can request for the same by writing an email to cs.reel@resustainability.com.

## 9. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

During the year under review there is no subsidiary/Joint venture/Associate Companies which have become or ceased to be its Subsidiary/ Joint Venture/ Associates Companies under the year as per the provisions of Companies Act, 2013.

## 10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly form AOC-2 is not applicable

## 11. COMPLIANCE TO SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

## 12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the Company's Board of Directors are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

**As on 31st March, 2024, the Board of your Company comprise as follows**:

| S. No. | Name | Designation | DIN |
|---|---|---|---|
| 1. | Mr. Ramamohan Rao Rajanala | Director | 05124044 |
| 2. | Mr. Satyanarayana Adamala | Director | 05198294 |
| 3. | Mr. Bheemi Reddy Prasad Reddy | Whole-time Director | 03614865 |

**As on 31 March 2024, the KMPs of your Company comprise of the follows:**

| S. No. | Name of KMPs | Designation |
|---|---|---|
| 1. | Mr. Srikanth Reddy Rolla | Chief Financial Officer |
| 2. | Mr. Manoj Kumawat | Company Secretary |

The details relating to Directors and KMP's and the changes during the financial year and subsequent to financial year till the date of this report are mentioned herein below:

- Mr. Satyanarayana Adamala (DIN: 05198294), Director of the Company retires by rotation at this Annual General Meeting, and being eligible, offers himself for Re-appointment. Hence your Board of Directors recommends his re-appointment as Director whose office shall be liable to retire by rotation.

- Mr. Sanket Jaiswal (holding ICSI Membership No.: A67657) has resigned from the post of Company Secretary of the Company with effective from close of business hours of 15th July, 2024.

- Mr. Manoj Kumawat (holding ICSI Membership No.: A72260) has been appointed as Whole-Time Company Secretary of the Company with effect from 11th September, 2023.

- Mr. Sastry Gangadhara Peddibhotla (DIN: 01890172) completed his second term as Independent Director on 30th September 2023 and has stepped down from the Board. According to the Companies (Appointment and Qualifications of Directors) Rules, 2014, wholly owned subsidiary companies are exempt from appointing an Independent Director. Consequently, the company is not required to appoint another independent director on the Board of the Company.

- Mr. Reddy Chenchi Kalluri (DIN: 00549773) completed his second term as Independent Director on 4th January 2024 and has stepped down from the Board. According to the Companies (Appointment and Qualifications of Directors) Rules, 2014, wholly owned subsidiary companies are exempt from appointing an Independent Director. Consequently, the company is not required to appoint another independent director on the Board of the Company.

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## 13. NUMBER OF MEETINGS OF THE BOARD

The Board met Eight (8) times during the financial year. The intervening gap between any two Board Meetings is within the period prescribed by the Companies Act, 2013.

The details of number of Meetings attended by each Director are given below:

| Sr. No. | Date | Board Strength | No. of Directors Present | % of Attendance |
|---|---|---|---|---|
| 1. | 8th May, 2023 | 5 | 5 | 100 |
| 2. | 15th July, 2023 | 5 | 5 | 100 |
| 3. | 11th September, 2023 | 5 | 5 | 100 |
| 4. | 21st October, 2023 | 4 | 4 | 100 |
| 5. | 14th November, 2023 | 4 | 4 | 100 |
| 6. | 2nd December, 2023 | 4 | 4 | 100 |
| 7. | 30th January, 2024 | 3 | 3 | 100 |
| 8. | 19th March, 2024 | 3 | 3 | 100 |

## 14. AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE

Pursuant to Rule 4(1) and 4(2) of Companies (Appointment and Qualification of Directors) Rules, 2014 ("AQD Rules") read with Rule 6 of Companies (Meeting of Board and its Powers) Rules, 2014 ("MBP Rules"), section 2 (87) of the Companies Act, 2013 unlisted public companies that are Wholly-Owned Subsidiaries ("WOS") are exempted by virtue of sub-rule from appointing independent directors and constituting the Committees thereof. Hence Audit Committee and Nomination & Remuneration Committees were dissolved w.e.f. 1st April. 2023.

**15. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Section 135 of the Companies Act, 2013 and the Companies (Social Responsibility Policy) Rules, 2014 (including any statutory amendment or modification thereof, for the time being in force) and other applicable provisions if any, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee and spend such amount as prescribed therein.

During the Financial year, your Company had commitments towards Corporate Social Responsibility amounting to Rs. 30,00,000/-. Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, since the minimum expenditure required to be made by the company, does not exceed fifty lakh rupees, the requirement of constitution of the Corporate Social Responsibility Committee was not applicable and the functions of such Committee were discharged by the Board of Directors of the company.

The details of the CSR Expenditure(s) made during the year are provided in ***Annexure I*** to this report.

**16. INTERNAL FINANCIAL CONTROLS**

The Directors had laid down Internal Financial Control procedures to be followed by the Company which ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business.

The details in respect of adequacy of internal financial controls with reference to the Financial Statements:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.

2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.

3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to differences, if any.

5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

## 17. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and that there are no material departures;
b) the Directors had selected such accounting policies and have applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the period;
c) the Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors had prepared the annual accounts on a going concern basis; and
e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 18. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS:

During the year under review, no observations are raised by the Statutory Auditors of the Company for which the Board explanation is required.

## 19. STATUTORY AUDITORS

M/s. A B V & Associates, (Firm Registration No. 004937S), Chartered Accountants, had been appointed as the Statutory Auditors of the Company at the 17th Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company.

## 20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the statutory auditors has not reported the Board, under Section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## 21. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

(A) **Conservation of energy-**

| | |
|---|---|
| The steps taken or impact on conservation of energy | a) Conducted Energy Audits in all sites to reduce power consumption<br>b) Upgradation of HVAC Systems. Installed Variable Frequency Drives for fans & pumps. This has resulted in the reduction of Auxiliary Consumption to the tune of 530 kW.<br>c) Awareness to Employees to Switch off the Machines, AC's, Lights, Fans etc whenever not required<br>d) Transparent windows & roofs to improve the day light and reduce the lights usage.<br>e) LED Lighting was installed in place of conventional lighting, which has a saving of 14 kw. |
| The steps taken by the company for utilising alternate sources of energy; | The Company is in process of installing Roof Top Solar Power Plants which will be an alternate energy source & roof top is a modern technology without utilizing the ground space. |
| The capital investment on energy conservation equipments; | Nil |

(B) **Technology absorption-**

| | |
|---|---|
| The efforts made towards technology absorption; | Unmanned Operation of Weighbridge: Operation of weighbridge through software control (AI) without manpower. |
| The benefits derived like product improvement, cost reduction, product development or import substitution | 1. Reduction of operating expense (OPEX)<br>2. Minimizes human errors |
| In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-<br>(a) the details of technology imported;<br>(b) the year of import;<br>(c) whether the technology been fully absorbed;<br>(d) if not fully absorbed, areas where absorption has not taken place,<br>and the reasons thereof | NA |
| The expenditure incurred on Research and Development | Nil |

(C) **Foreign exchange earnings and Outgo-**

The Foreign Exchange earned and the Foreign Exchange outgo during the year in terms of actual outflow is provided as under:

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Foreign Exchange Earnings | Nil | Nil |
| Foreign Exchange Outgo | Nil | Nil |

## 22. RISK MANAGEMENT

Your Company has a Risk Management Framework in place to identify the risks associated with the Business of the Company. The Board periodically reviews the risks/concerns associated with the project being developed by the Company and devises measures to resolve/mitigate such concerns/risks.

However, Company has not come across any element of risk which may threaten the existence of the Company.

## 23. VIGIL MECHANISM

The Company has adopted Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Company's Code of Conduct and Ethics. The Company has adopted the Group Whistle Blower Policy
Your Company has also adopted the Whistle Blower Policy, the policy provides for a framework and process, for the employees and directors to report genuine concerns or grievances, illegal and unethical behavior, actual or suspected fraud to the Group Chief Compliance Officer (CCO) through email at ethics@resustainability.com or cco.reel@resustainability.com.

As per the Policy approved by the Board of Directors, Chief Compliance Officer is responsible for effective implementation of Whistle Blower Policy. He shall have authority to seek information and rights to investigate the Whistleblower's complaints and after considering the complaint he has power to set up Enquiry Committee to investigate the complaint raised. The CCO shall consult with the Board of Directors of the Company to determine the conflict of interest if any.

The CCO/Enquiry Committee shall carry out the enquiry or investigation and will be required to prepare an Enquiry or Investigation report, which if prepared by the Enquiry Committee will be then presented to the CCO. The CCO shall further submit the same to Whistle Blower Council. The report shall include details of the investigatory steps taken and findings, conclusions, and/or recommendations

## 24. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has not received any complaint of sexual harassment. There was no complaint pending during the period.

| Sr. No. | Particulars | Remarks |
|---|---|---|
| 1 | No of Sexual harassment complaints received in FY 2023-24 | NIL |
| 2 | No of complaints disposed of during in FY 2023-24 | NIL |
| 3 | No of cases pending for more than 90 days | NIL |
| 4 | No. of awareness programs or workshops against sexual harassment conducted during the year. | 12 |
| 5 | No. of actions taken by the employer or district officer with respect to the cases. | NIL |

## 27. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its future operations.

## 28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

As the Company is covered under the definition of Infrastructure project and facilities as prescribed in Schedule VI of the Companies Act, 2013, except sub section 1 other provisions of section 186 are not applicable.

## 29. STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013, the Independent Directors of the Company had submitted a declaration that each of them met the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.
The Independent Directors complied with the code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. However, as on 31st March, 2024, there is no requirement required to appoint any independent director on the Board of the Company.

## 30. STATEMENT OF INTEGRITY, EXPERTISE AND EXPERIENCE OF THE INDEPENDENT DIRECTORS:

The Board is of the opinion that the Independent Directors possess the requisite expertise, experience and proficiency in their field and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management of the Company.

Also, pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of your Company had registered themselves with the Data bank maintained by the Indian Institute of Corporate Affairs (IICA). A declaration to this effect has been obtained from all the Independent Directors.

Further, based on the declarations received, it was noted that the Independent Directors are exempted from undertaking the Online Proficiency Self-Assessment Test as per the first proviso of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

## 31. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

The Company has not made any application nor any petition and no proceeding are pending under the Insolvency and Bankruptcy Code, 2016 (31 OF 2016) at the end of financial year 2023-24.

## 32. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not made any one-time settlements during the financial year 2023-24.

## 33. DEPOSITS

During the year under review, your company has neither accepted nor renewed any deposits. The details relating to deposits, covered under Chapter V of the Act:

a) Accepted during the year: **NIL**
b) Remained unpaid or unclaimed as at the end of the year: **NIL**
c) Default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: **NIL**

## 34. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or they are not applicable to the Company:

1. During the year under review, your company has neither accepted nor renewed any deposits. Hence, no details relating to deposits, covered under Chapter V of the Companies Act, 2013 is mentioned herein.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. The Company has not appointed any Cost Auditors as the Central Government has not prescribed cost Audit for the activities of the Company.
5. As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, Secretarial audit is not applicable to the Company during the financial year under review.
6. The Company is not required to appoint an internal auditor as required under Section 138 of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014.

## 35. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance, faith reposed and continued co-operation extended by the Financial Institutions, Banks, Customers, Government Authorities and members.

**For and on behalf of the Board**
**RE SUSTAINABILITY HEALTHCARE SOLUTIONS LIMITED**
**(Formerly Known as Ramky Energy and Environment Limited)**

Satyanarayana Adamala

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serialNumber=f9cd481cc1cf74c0e7e7d91ee7b9d250ec9657dc1bc4739a1022de8056bf1b6d, cn=Satyanarayana Adamala
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serialNumber=c1eacb0440cc3a37c295ca3db22f653f0b1e0c00431cd179bf559584722e5674,
cn=BHEEMI REDDY PRASAD REDDY
Date: 2024.05.22 11:46:05 +05'30'

Place: Hyderabad
Date: 22nd May, 2024

**Satyanarayana Adamala**
Director
DIN: 05198294

**Bheemi Reddy Prasad Reddy**
Whole Time Director
DIN: 03614865

**Annexure – I**

**Re Sustainability Healthcare Solutions Limited**
**(Formerly known as Ramky Energy and Environment Limited)**
Annual Report of CSR Activities for Financial Year Commencing on 1st April, 2023 and ending on 31st March, 2024

1. **Brief outline on CSR Policy of the Company:**

   The main object of the CSR Policy is to lay down guidelines for the Company, in relation to its CSR activities. This Policy covers current as well as proposed CSR activities to be undertaken by the Company, in alignment with Schedule VII of the Companies Act, 2013 ("Act"), as amended from time to time as well as the modalities of execution of the same.

2. **Composition of CSR Committee:**

   The Company is exempt from the required to form requirement of formation of a CSR Committee for FY 2023-24.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   The Company is not required to have a website.

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

   Not applicable for the financial year 2023-24.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Nil

| S. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set-off for the financial year, if any (in Rs) |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

6. **Average net profit of the Company as per section 135(5):** INR 13,30,83,667/-

7. **(a) Two percent of average net profit of the company as per section 135(5):**
   INR 26,61,673/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: -- Nil

(c) Amount required to be set off for the financial year, if any: -- Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): 26,61,673/-

8. (a) CSR amount spent or unspent for the financial year: INR 30,00,000/-

| Total amount spent for the financial year (in Rs.) | Amount unspent (in Rs.) | | | | |
|---|---|---|---|---|---|
| | Total amount transferred to unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under schedule VII as per Second proviso to the Section 135(5) | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 30,00,000 | 0 | - | - | - | - |

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

| (1) S. No. | (2) Name of the project | (3) Item from the list of activities in schedule VII to the Act | (4) Local area (Yes/No) | (5) Location of project | | (6) Project duration. |
|---|---|---|---|---|---|---|
| | | | | State | District | |
| | | | | | | |

| (7) Amount allocated for the project (in Rs.). | (8) Amount spent in the current financial Year (in Rs.). | (9) Amount transferred to CSR Unspent Account for the project as per Section 135(6) (in Rs.) | (10) Mode of Implementation - Direct (Yes/No). | (11) Mode of Implementation - Through Implementing Agency | |
|---|---|---|---|---|---|
| | | | | Name | CSR Registration number. |
| | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) S. No. | (2) Name of the project | (3) Item from the list of activities in Schedule VII of the Act | (4) Local area (Yes/ No) | (5) Location of the project. | |
|---|---|---|---|---|---|
| | | | | State | District |
| 1. | Provision of Computer Lab in Zilla Paridhad High | Clause (ii):- Promoting Education | No | Andhra Pradesh | Visakhapatnam |

| | | | | | |
|---|---|---|---|---|---|
| | School | | | | |
| 2. | Construction of School Building in Khed Village | Clause (ii): - promoting education | No | Rajasthan | Balotra |
| 3. | Street Light Distribution in Zinc & Gudli Village | Clause (x):- Rural Development | No | Rajasthan | Udaipur |

| (6) | (7) | (8) | |
|---|---|---|---|
| **Amount spent for the project (in Rs.).** | **Mode of implementation - Direct (Yes/No).** | **Mode of implementation - Through implementing agency.** | |
| | | **Name.** | **CSR Registration number.** |
| 6,90,640 | No | Ramky Foundation | CSR00004812 |
| 23,01,000 | No | Ramky Foundation | CSR00004812 |
| 8,360 | No | Ramky Foundation | CSR00004812 |

(d) **Amount spent in Administrative Overheads:** Not Applicable

(e) **Amount spent on Impact Assessment, if applicable:** Not Applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** INR 30,00,000/-

(g) **Excess amount for set off, if any:** 0

| **S. No.** | **Particular** | **Amount (In Rs.)** |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 26,61,673 |
| (ii) | Total amount spent for the Financial Year | 30,00,000 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 3,38,327 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0 |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 3,38,327 |

9. **(a) Details of Unspent CSR amount for the preceding three financial years:**

| S. no. | Preceding financial year | Amount transferred to unspent CSR Account under section 135(6) (in Rs.) | Amount spent in the reporting financial year (in Rs.) | Amount transferred to any fund specified under Section VII as per Section 135 (6) if any | | | Amount remaining to be sent in succeeding financial years (in Rs.) |
|---|---|---|---|---|---|---|---|
| | | | | Name of the fund | Amount (in Rs) | Date of transfer | |
| | | | | | | | - |

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) |
|---|---|---|---|---|---|---|---|---|
| S. no. | Project ID | Name of the project | Financial year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount Spent on the project in the reporting financial year (In Rs.) | Cumulative amount spent at the end of reporting financial year (In Rs.) | Status of the project- Completed / ongoing |
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| | Total | | | | | | | |

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not applicable **(Asset-wise details).**

    (a) Date of creation or acquisition of the capital asset(s).

    (b) Amount of CSR spent for creation or acquisition of capital asset.
    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).:** Not applicable

**For and on behalf of the Board**
**RE SUSTAINABILITY HEALTHCARE SOLUTIONS LIMITED**
**(Formerly Known as Ramky Energy and Environment Limited)**

Satyanarayana Adamala
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Date: 2024.04.22 11:43:11 +05'30'

Place: Hyderabad
Date: 22nd May, 2024

**Satyanarayana Adamala**
Director
DIN: 05198294

**Bheemi Reddy Prasad Reddy**
Whole Time Director
DIN: 03614865

**ABV & ASSOCIATES**
**Chartered Accountants**

**8-2-686/DB/22, Plot No.22**
**Road No. 12, Banjara Hills**
**Hyderabad – 500 034.**
**Phone : +91-40-23546705**
**Email : abvassociateshyd@gmail.com**

## Independent Auditors' Report

To
The Members,
**Re Sustainability Healthcare Solutions Limited**

### Report on the Audit of the financial statements

### Opinion

We have audited the accompanying financial statements of **Re Sustainability Healthcare Solutions Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (Including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial statements").

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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity 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, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure –A a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 flows and dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.

   (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 28 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Ind AS financial statements, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Ind AS financial statements, 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, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures that were 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) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company; and

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to database when using certain access rights, as described in note no.36 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of this software where audit trail has been enabled.

for ABV & Associates
Chartered Accountants
Firm Registration No. 004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:09:35 +05'30'

(A.S.Naidu)
Partner
Membership No.208582
UDIN: 24208582BKATHH6929

Place: Hyderabad
Date: 22-05-2024

**Annexure- A to the Independent Auditors' Report**:

The Annexure referred to the Independent auditors' report to the members of the company on the financial statements for the year ended 31 March 2024, we report that:

(i) (a) A) the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B) the company is maintaining proper records showing full particulars of intangible assets.

(b) A major portion of the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year hence clause 3 (i)(d) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder hence clause 3 (i)(e) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(ii) (a) The inventory has been physically verified by the management during the year at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate were not noticed for each class of inventory on such physical verification.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the company has provided loans or provided advances in the nature of loans and

A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates was Rs. Nil;

B) the aggregate amount during the year was Rs.3,246 lakhs and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates was Rs.6,871 lakhs.

(b) According to the information and explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(c) According to the information and explanations given to us, in respect of advances in nature of loans granted by the company the repayment and payment of interest are regular.

(d) In respect of loans and advances in the nature of loans, no amount is overdue for a period of more than ninety days and hence clause 3 (iii)(d) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(e) According to the information and explanations given to us, during the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to the information and explanations given to us, the loans or advances in the nature of loans granted by the company has contain the schedule of repayment of principal and payment of interest and hence clause 3 (iii)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us the company has been generally regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as at 31st March, 2024 which have not been deposited on account of a dispute. However, the Company disputes the dues in respect of Income Tax as mentioned below:

| Name of the Statute | Nature of the Dues | Amount in Rupees | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Deductions disallowed | Amount disallowed Rs.284.20 lakhs and Tax impact Rs.92.15 lakhs | 2012-13 | The Hon'ble High Court for the state of Telangana, Hyderabad |
| Income Tax Act, 1961 | Deductions disallowed | Amount disallowed Rs.194.35 lakhs and Tax impact Rs.77.51 lakhs | 2013-14 | The Hon'ble High Court for the state of Telangana, Hyderabad |
| Income Tax Act, 1961 | Deductions disallowed | Amount disallowed Rs.215.16 lakhs and Tax impact Rs.44.01 lakhs | 2016-17 | The Commissioner of Income-tax (Appeals), Hyderabad-3 |
| Income Tax Act, 1961 | Deductions disallowed | Amount disallowed Rs.418.29 lakhs and Tax impact Rs.16.10 lakhs | 2017-18 | The Commissioner of Income-tax (Appeals), Hyderabad-3 |

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, clause 3 (ix) (a) of the Companies (Auditor's Report) Order, 2020 is not applicable

(b) In our opinion and according to the information and explanations given to us the company is not declared as wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not raised any term loans during the year. Accordingly, paragraph 3 (ix) (c) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any amount by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3 (x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) under section 42 and section 62 of the Companies Act, 2013. Accordingly, Clause 3(x) (b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xi) (a) According to the information and explanations given to us, no material fraud by the company or no material fraud on the company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by [cost auditor/ secretarial auditor or by us] in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a nidhi company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(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.

(xiv) The company does not have an internal audit system and is not required to have an internal audit system as per provisions of Section 138 of the Companies Act 2013. Therefore, the requirement to report under clause 3(xiv)(a)&(b) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(d) According to the information and explanations given to us, there are no CICs in the Group. Accordingly, clause 3(xvi)(d) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, clause 3(xvii) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and 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 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) According to the information and explanations given to us, there is no unspent amount required to be spent as per section 135 of the Act and hence the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

for ABV & Associates
Chartered Accountants
Firm Registration No .004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:10:20 +05'30'

(A.S.Naidu)
Partner
Membership No.208582
UDIN: 24208582BKATHH6929

Place: Hyderabad
Date: 22-05-2024

**Annexure– B to the Independent Auditors' Report:**

**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 over financial reporting of **Re Sustainability Healthcare Solutions Limited** ("the Company") as of 31st March 2024 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

for ABV & Associates
Chartered Accountants
Firm Registration No .004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:10:49 +05'30'

(A.S.Naidu)
Partner
Membership No.208582
UDIN: 24208582BKATHH6929

Place: Hyderabad
Date: 22-05-2024

**Re Sustainability Healthcare Solutions Limited**
**(CIN: U40105TG2006PLC049237)**
**Balance Sheet as at 31 March 2024**
(All amounts in Indian Rupees in lakhs, except otherwise stated)

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3A | 692 | 536 |
| Capital work in progress | 3B | 84 | 142 |
| Financial assets | | | |
| (i) Investments | 4A | 1,905 | 1,905 |
| (ii) Loans | 4B | 6,871 | 5,468 |
| (iii) Bank balance other than cash and cash equivalents | 4F | 275 | 267 |
| (iv) Other financial asset | 4C | 82 | 87 |
| Deferred tax assets (net) | 6 | 420 | 483 |
| Other assets | 8 | 92 | 84 |
| | | **10,421** | **8,972** |
| **Current assets** | | | |
| Inventories | 5 | 38 | 45 |
| Financial assets | | | |
| (i) Trade receivables | 4D | 747 | 574 |
| (ii) Cash and cash equivalents | 4E | 39 | 98 |
| Current tax assets (net) | 7 | 175 | 240 |
| Other assets | 8 | 81 | 108 |
| | | **1,080** | **1,065** |
| **Total assets** | | **11,501** | **10,037** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Share capital | 9 | 4,137 | 4,137 |
| Other equity | 10 | 6,504 | 4,835 |
| **Total equity** | | **10,641** | **8,972** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Other financial liabilities | 11C | 99 | 86 |
| Long term provisions | 13 | 59 | 68 |
| | | **158** | **154** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 11A | 9 | 20 |
| (ii) Trade payables | 11B | | |
| -total outstanding dues of micro and small enterprises | | 18 | 24 |
| -total outstanding dues of creditors other than micro and small enterprises | | 177 | 274 |
| (iii) Other financial liabilities | 11C | 24 | 13 |
| Liabilities for current tax (net) | 12 | 262 | 263 |
| Provisions | 13 | 20 | 23 |
| Other liabilities | 14 | 192 | 293 |
| **Total liabilities** | | **702** | **910** |
| **Total equity and liabilities** | | **11,501** | **10,037** |
| Summary of material accounting policies | 2.2 | | |

The accompanying notes form an integral part of financial statements.
As per our report of even date attached.

**for A B V & Associates**
Chartered Accountants
ICAI Firm Registration No.004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:11:27 +05'30'

**A.S.Naidu**
Partner
Membership No: 208582

For and on behalf of the Board of Directors of
**Re Sustainability Healthcare Solutions Limited**
(CIN: U40105TG2006PLC049237)

Satyanarayana Adamala

**Satyanarayana Adamala**
Director
DIN: 05198294

BHEEMI REDDY PRASAD REDDY

**B. Prasad Reddy**
Wholetime Director
DIN: 03614865

Rolla Srikanth Reddy

**R.Srikanth Reddy**
Chief Financial Officer

MANOJ KUMAWAT

**Manoj Kumawat**
Company Secretary
Membership No. A72260

Place: Hyderabad
Date: 22.05.2024

Place: Hyderabad
Date: 22.05.2024

**Re Sustainability Healthcare Solutions Limited**
**(CIN: U40105TG2006PLC049237)**
**Statement of Profit and Loss for the year ended 31 March 2024**
(All amounts in Indian Rupees in lakhs, except otherwise stated)

| | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from contracts with customers | 15 | 3,237 | 2,933 |
| Other income | 16 | 716 | 463 |
| **Total income (I)** | | **3,953** | **3,396** |
| **Expenses** | | | |
| Cost of raw material and components consumed | 17 | 198 | 170 |
| Employee benefits expense | 18 | 517 | 517 |
| Finance costs | 19 | 18 | 4 |
| Depreciation and amortization expense | 20 | 89 | 73 |
| Other expenses | 21 | 978 | 623 |
| **Total expense (II)** | | **1,800** | **1,387** |
| **Profit before exceptional items and taxes (III = I - II)** | | **2,153** | **2,009** |
| Exceptional items (IV) | | - | - |
| **Profit before tax (V = III + IV)** | | **2,153** | **2,009** |
| **Tax expense** | 23 | | |
| Current tax | | 502 | 423 |
| Adjustment of tax relating to earlier periods | | - | 1 |
| MAT credit entitlement | | - | - |
| **Total tax expense (VI)** | | **502** | **424** |
| **Profit for the year (VII=V-VI)** | | **1,651** | **1,585** |
| **Other comprehensive income** | 22 | | |
| *Items that will not be reclassified to profit or loss* | | | |
| Re-measurement (losses)/gains on defined benefit plans | | 17 | 21 |
| **Other comprehensive income for the year (net of tax) (VIII)** | | **17** | **21** |
| **Total comprehensive income for the year (net of tax) (IX=VII+VIII)** | | **1,668** | **1,606** |
| **Earnings per equity share of face value of 10 each** | | | |
| Basic earnings per share | 24 | 2,094 | 2,010 |
| Diluted earnings per share | | 4 | 4 |
| Summary of material accounting policies | 2.2 | | |

The accompanying notes form an integral part of financial statements.
As per our report of even date attached.

**for A B V & Associates**
Chartered Accountants
ICAI Firm Registration No.004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:12:02 +05'30'

**A.S.Naidu**
Partner
Membership No: 208582

For and on behalf of the Board of Directors of
**Re Sustainability Healthcare Solutions Limited**
(CIN: U40105TG2006PLC049237)

Satyanarayana Adamala

**Satyanarayana Adamala**
Director
DIN: 05198294

BHEEMI REDDY PRASAD REDDY

**B. Prasad Reddy**
Wholetime Director
DIN: 03614865

Rolla Srikanth Reddy

**R.Srikanth Reddy**
Chief Financial Officer

MANOJ KUMAWAT

**Manoj Kumawat**
Company Secretary
Membership No. A67657

Place: Hyderabad
Date: 22.05.2024

Place: Hyderabad
Date: 22.05.2024

**Re Sustainability Healthcare Solutions Limited**
**(CIN: U40105TG2006PLC049237)**
**Statement of Changes in Equity for the year ended 31 March 2024**
(All amounts in Indian Rupees in lakhs, except otherwise stated)

| **(a) Share capital** | **Equity shares** | | **Preference shares** | |
|---|---|---|---|---|
| | **Number of shares (in Lakhs)** | **INR (in Lakhs)** | **Number of shares (in Lakhs)** | **INR (in Lakhs)** |
| **As at 01 April 2022** | **1** | **8** | **413** | **4,129** |
| Issued during the year | - | - | - | - |
| Redeemed/ transferred during the year | - | - | - | - |
| **As at 31 March 2023** | **1** | **8** | **413** | **4,129** |
| Issued during the year | - | - | - | - |
| Redeemed/ transferred during the year | - | - | - | - |
| **As at 31 March 2024** | **1** | **8** | **413** | **4,129** |

**(b) Other equity**

| | **Reserves and surplus** | | | |
|---|---|---|---|---|
| | **Securities Premium** | **Retained Earnings** | **Deemed capital contribution** | **Total** |
| **Balance as at 01 April 2022** | **24** | **1,088** | **2,116** | **3,228** |
| Profit for the year | - | 1,585 | - | **1,585** |
| Other comprehensive income (net of taxes) | - | 21 | - | **21** |
| Additions during the year | - | - | 1 | **1** |
| **Balance as at 31 March 2023** | **24** | **2,694** | **2,117** | **4,835** |
| Profit for the year | - | 1,651 | - | **1,651** |
| Other comprehensive income (net of taxes) | - | 17 | - | **17** |
| Additions during the year | - | - | 1 | **1** |
| **Balance at 31 March 2024** | **24** | **4,362** | **2,118** | **6,504** |

The accompanying notes form an integral part of financial statements.

As per our report of even date attached.

**for A B V & Associates**
Chartered Accountants
ICAI Firm Registration No.004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:13:12 +05'30'

**A.S.Naidu**
Partner
Membership No: 208582

Place: Hyderabad
Date: 22.05.2024

For and on behalf of the Board of Directors of
**Re Sustainability Healthcare Solutions Limited**
(CIN: U40105TG2006PLC049237)

Satyanarayana Adamala

**Satyanarayana Adamala**
Director
DIN: 05198294

BHEEMI REDDY PRASAD REDDY

**B. Prasad Reddy**
Wholetime Director
DIN: 03614865

Rolla Srikanth Reddy

**R.Srikanth Reddy**
Chief Financial Officer

MANOJ KUMAWAT

**Manoj Kumawat**
Company Secretary
Membership No. A72260

Place: Hyderabad
Date: 22.05.2024

**Re Sustainability Healthcare Solutions Limited**
**(CIN: U40105TG2006PLC049237)**
**Statement of Cash Flows for the year ended 31 March 2024**
(All amounts in Indian Rupees in lakhs, except otherwise stated)

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **A. Cash flows from operating activities** | | |
| Profit before tax | 2,153 | 2,009 |
| *Adjustments to reconcile profit before tax to net cash flows:* | | |
| Depreciation and amortisation expense | 89 | 73 |
| Provision for doubtful receivables and Bad debts written off | 1 | 34 |
| (Profit)/loss on sale of fixed assets | (0) | (4) |
| Liabilities no longer required written back | (92) | - |
| ESOP Adjustment | 1 | 1 |
| Interest expense | 18 | 3 |
| Interest income | (623) | (459) |
| **Operating profit before changes in working capital** | **1,547** | **1,657** |
| **Adjustments for changes in working capital** | | |
| (Increase)/ Decrease in inventories | 7 | (29) |
| (Increase) / Decrease in trade receivables | (175) | (31) |
| (Increase) / Decrease in Bank balance other than cash and cash equivalents | (8) | (8) |
| (Increase) / Decrease in other financial asset | 5 | 2 |
| (Increase)/ Decrease in other asset | 30 | (42) |
| Increase / (Decrease) in trade payables | (11) | 58 |
| Increase / (Decrease) in other financial liabilities | 5 | 28 |
| Increase/(Decreaes) in provisions for employee benefits | 5 | 20 |
| Increase / (Decrease) in other liabilities | (102) | (101) |
| **Cash generated from/ (used in) operating activities** | **1,301** | **1,553** |
| Income tax paid (net of refund) | (375) | (221) |
| **Net cash flow generated from/(used in) operating activities (A)** | **926** | **1,332** |
| **B. Cash flows from investing activities** | | |
| (Increase) / decrease Inter corporate deposits | (1,403) | (1,763) |
| (Purchase) of property, plant and equipment | (178) | (271) |
| Investment in fixed deposits | 8 | 8 |
| Interest received | 615 | 451 |
| **Net cash flow generated from/(used in) investing activities (B)** | **(958)** | **(1,576)** |
| **C. Cash flows from financing activities** | | |
| Proceeds from / (repayment of) borrowings | (10) | 4 |
| Interest paid | (18) | (3) |
| **Net cash flow generated from/(used in) financing activities ( C)** | **(28)** | **1** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | (59) | (242) |
| Cash and cash equivalents at the beginning of the year | 98 | 340 |
| **Cash and cash equivalents at year end** | **39** | **98** |

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| b) Cash and Cash Equivalents comprises of | | |
| Cash on hand | 0 | 0 |
| Balances with banks: | | |
| - Current Accounts | 39 | 98 |
| **Cash and cash equivalent as per balance sheet** | **39** | **98** |
| Summary of material accounting policies | | |

The accompanying notes form an integral part of financial statements.
As per our report of even date attached.

**for A B V & Associates**
Chartered Accountants
ICAI Firm Registration No.004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:13:43 +05'30'

**A.S.Naidu**
Partner
Membership No: 208582

For and on behalf of the Board of Directors of
**Re Sustainability Healthcare Solutions Limited**
(CIN: U40105TG2006PLC049237)

Satyanarayana Adamala

**Satyanarayana Adamala**
Director
DIN: 05198294

BHEEMI REDDY PRASAD REDDY

**B. Prasad Reddy**
Wholetime Director
DIN: 03614865

Rolla Srikanth Reddy

**R.Srikanth Reddy**
Chief Financial Officer

MANOJ KUMAWAT

**Manoj Kumawat**
Company Secretary
Membership No. A72260

Place: Hyderabad
Date: 22.05.2024

Place: Hyderabad
Date: 22.05.2024

## 1. Corporate information

The financial statements comprise financial statements of Re Sustainability Healthcare Solutions Limited (Formerly known as Ramky Energy and Environment Limited) (the Company) (CIN: U40105TG2006PLC049237) for the year ended 31 March 2024. The Company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.The registered office of the company is located at Level 11B, Aurobindo Galaxy, Hitech City Road, Hyderabad, 500081.

The company is principally engaged in the business of providing integrated waste management solutions for industrial (Harzardous) waste & Bio medical waste in the state of Tamilnadu and Karnataka.The range of services provided by the company includes Collection and disposal of Bio medical waste. Information on other related party relationships of the Company is provided in Note 29.

The financial statements were authorised for issue in accordance with a resolution of the directors on 22nd May 2024

## 2. Material accouting policies

### 2.1 Statement of compliance and basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (IND AS compliant Schedule III), as applicable to the Standalone Financial Statements.

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

► Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
► Plan Assets of defined benefit obligations.

The financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

Amount coming as “0” in financial statements is due to rounding off balances below Rs. 1 Lakh.
The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.
The financial statements provide comparative information in respect of the previous period.

### 2.2 Summary of material accounting policies

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### b. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet 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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.
The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

**c. Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The specific recognition criteria described below must also be met before revenue is recognised.

**Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**Rendering of services**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.
Revenue from user charges towards waste disposal is recognised as and when the related services are performed i.e. when the waste is collected, transported and is received at the processing facility.

**Contract balances**

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

**Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**d. Taxes**

Tax expense comprises current tax expense and deferred tax.

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

As the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

**Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

**e. Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as

- Buildings 30 years
- Roads, drainage and culverts 10 years
- Green belt 10 years
- Plant and equipment 9 years
- Land fill Qty based
- Container belts 3 years
- Furniture 10 years
- Vehicles 8 years
- Vehicles others 8 years
- Computers 3 years
- Computers accessoires 3 years
- Office equipments 5 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**f. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

**ii) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to those items that are considered to be low value (i.e., below Rs. 3,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**g. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**h. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company s of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Goodwill is tested for impairment annually as at each reporting date and when circumstances indicate that the carrying value may be impaired.

**i. Provisions**

**General**

Provisions are recognised 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.

**j. Employee benefits**

**Post employment benefits**

**Defined Contribution plan**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

**Defined benefit plan**

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Re measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Compensated absence**

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per policy of the company.

The liability towards such unutilised leave at the end of each balance sheet date is determined based on independent actuarial valuation and recongnised in the statement of profit and loss.

**k. 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**

**i. Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:
► Debt instruments at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**iii. Debt instruments at amortised cost**

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**iv. Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:
► The rights to receive cash flows from the asset have expired, or
► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**v. Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as contractual revenue receivables' in these financial statements)
c. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
a. Trade receivables; and
b. Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

**Financial liabilities**

**i. Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**ii. Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of financial instruments**

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

**l. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m. Compound financial instruments**

Compound financial instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the compound financial instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

**n. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**o. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(All amounts in Indian Rupees in lakhs, except otherwise stated)

## 3A. Property, plant and equipment

| Particulars | Land and Site Development | Buildings | Plant and Machinery | Roads & Other Civil Infrastructure | Land Fill | Furniture & Fixtures | Vehicles | Office Equipments | Computers | Container Belts | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross block** | | | | | | | | | | | |
| **As at 01 April 2022** | **1,242** | **671** | **397** | **129** | **92** | **3** | **284** | **13** | **4** | **1** | **2,835** |
| Additions during the year | - | 8 | 103 | 27 | - | 2 | 17 | 8 | 1 | - | 167 |
| Deletions / adjustments | - | - | (23) | - | - | - | (20) | - | (1) | - | (44) |
| **As at 31 March 2023** | **1,242** | **680** | **477** | **157** | **92** | **5** | **281** | **21** | **4** | **1** | **2,959** |
| Additions during the year | | 35 | 83 | 3 | | 6 | 67 | 46 | 5 | | 246 |
| Deletions / adjustments | | | (44) | | | | (15) | (0) | (1) | | (60) |
| **As at 31 March 2024** | **1,242** | **715** | **516** | **160** | **92** | **11** | **334** | **67** | **8** | **1** | **3,145** |
| | | | | | | | | | | | |
| **Depreciation** | | | | | | | | | | | |
| **As at 01 April 2022** | **1,216** | **560** | **229** | **113** | **92** | **2** | **166** | **10** | **3** | **1** | **2,392** |
| For the year | - | 6 | 38 | 4 | | 1 | 23 | 1 | 1 | | **73** |
| Deletions / adjustments | - | - | (23) | - | - | - | (19) | - | (1) | - | (43) |
| **As at 31 March 2023** | **1,216** | **566** | **243** | **116** | **92** | **3** | **170** | **12** | **3** | **1** | **2,422** |
| For the year | - | 7 | 43 | 4 | | 0 | 27 | 7 | 1 | | **89** |
| Deletions / adjustments | | | (43) | | | | (15) | (0) | (1) | | (59) |
| **As at 31 March 2024** | **1,216** | **573** | **244** | **121** | **92** | **3** | **182** | **19** | **4** | **1** | **2,453** |
| | | | | | | | | | | | |
| **Net block** | | | | | | | | | | | |
| **As at 31 March 2023** | **26** | **113** | **234** | **40** | **-** | **2** | **111** | **9** | **1** | **-** | **536** |
| **As at 31 March 2024** | **26** | **142** | **272** | **39** | **-** | **8** | **152** | **47** | **4** | **-** | **692** |

## 3B. Capital Work in Progess

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | 142 | 31 |
| Add: Additions during the year | 188 | 278 |
| Less: Capitalisations during the year | (246) | (167) |
| Closing balance | **84** | **142** |

**Ageing Schedule of Capital work in progress:**

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-2 years | 2-3 years | rethan 3 years | Total |
| **As at 31 March 2024** | | | | | |
| - Projects in progress | 84 | - | - | - | **84** |
| - Projects temporarily suspended | - | - | - | - | - |
| **As at 31 March 2023** | | | | | |
| - Projects in progress | 122 | 20 | - | - | **142** |
| - Projects temporarily suspended | - | - | - | - | - |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**4. Financial assets**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **4A. Investments** | | |
| **Non Current** | | |
| **Investment in preference shares in group companies** | | |
| (a) 93,50,000 (31 March 2023: 93,50,000) Cumulative Convertible Redemable Preference Shares Carrying a Coupon Rate of 0.001% of Rs.10/- each in Re Sustainability IWM solutions Ltd (formerky known as Ramky Industrial waste management solutions limited) | 1,029 | 1,029 |
| (b) 59,71,772 (31 March 2023: 59,71,772) Cumulative Convertible Redemable Preference Shares Carrying a Coupon Rate of 0.001% of Rs.10/- each in Re Sustainability & Recyling Private Ltd | 657 | 657 |
| (c) 19,90,000 (31 March 2023: 19,90,000) Cumulative Convertible Redemable Preference Shares Carrying a Coupon Rate of 0.001% of Rs.10/- each in Maridi Bio Industries Private Limited. | 219 | 219 |
| | **1,905** | **1,905** |
| Aggregate Value of Unquoted Investments | 1,905 | 1,905 |

| **4B. Loans (Unsecured and considered good unless otherwise stated)** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Non current** | | |
| Inter corporate deposit to related parties and others* | 6,871 | 5,468 |
| | **6,871** | **5,468** |

* Inter corporate deposits to related parties are repayable between 5 to 15 years and interest @ 10.50% p.a. (refer note 29)

**4C. Other financial asset (Unsecured and considered good unless otherwise stated)**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Non current** | | |
| Security deposits | 81 | 85 |
| Deposit with remaining maturity more than 12 months | 2 | 2 |
| | **83** | **87** |

| **4D. Trade receivables** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Current** | | |
| Trade Receivables from related parties (refer note 29) | 5 | - |
| Trade receivables considered good - unsecured | 742 | 573 |
| Trade receivables - credit impaired | 99 | 118 |
| | **846** | **692** |
| **Break-up for security details** | | |
| Unsecured, considered good | 746 | 573 |
| Credit impaired | 99 | 118 |
| | **846** | **692** |
| **Impairment allowance** | | |
| Trade receivables - Credit impaired | (99) | (118) |
| | **747** | **574** |

**Note: 4D-1** There are no trade receivables due from private companies/partnership firm in which group's director is a director/partner.
**Note: 4D-2** Trade receivables are non-interest bearing and are generally on terms of less than 1 year as mutually agreed with the customers.

**Ageing Schedule of Trade receivables:**

| Particulars | Outstanding for the following periods from the due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Unbilled Amount | Not Due | <1 year | 1-2 years | 2-3 years | Morethan 3 years | |
| **As at 31 March 2024** | | | | | | | |
| Undisputed Trade receivables – Considered good | - | 285 | 415 | 64 | 15 | 67 | **846** |
| Less: Allowance for expected credit loss | | | | | | - | **(99)** |
| Undisputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |
| **Total** | **-** | **285** | **415** | **64** | **15** | **67** | **747** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**Ageing Schedule of Trade receivables:**
**As at 31 March 2023**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Undisputed Trade receivables – Considered good | - | 254 | 325 | 32 | 5 | 77 | **692** |
| Less: Allowance for expected credit loss | | | | | | | **(118)** |
| Undisputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |
| **Total** | **-** | **254** | **325** | **32** | **5** | **77** | **574** |

**4E. Cash and cash equivalents**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Cash on hand | 0 | 0 |
| Balances with banks: | | |
| On current account | 39 | 98 |
| | **39** | **98** |

**Change in liabilities arising from financing activities**

| | 01 April 2023 | Cash Flow | Others | 31 March 2024 |
|---|---|---|---|---|
| Non-current borrowings | - | - | - | - |
| Current borrowings | 20 | (10) | - | 9 |
| **Total liabilities from financing activities** | **20** | **(10)** | **-** | **9** |

| **Change in liabilities arising from financing activities** | 01 April 2022 | Cash Flow | Others | 31 March 2023 |
|---|---|---|---|---|
| Non-current borrowings | | | | |
| Current borrowings | 16 | 4 | 0 | 20 |
| **Total liabilities from financing activities** | **16** | **4** | **0** | **20** |

| **4F. Bank balance other than cash and cash equivalents** | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Non-current** | | |
| Balance with banks: | | |
| On current accounts (escrow accounts)* | 275 | 267 |
| | **275** | **267** |

*Represents the amount kept in a separate account towards fulfilment post closure obligation.

**at amortised cost**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Loans (Non current) (refer note 4B) | 6,871 | 5,468 |
| Other Financial asset ( non- current) (refer note 4C) | 83 | 87 |
| Trade receivables (current) (refer note 4D) | 747 | 574 |
| Cash and cash equivalent (refer note 4E) | 39 | 98 |
| Bank balances other than cash and cash equivalents (non current) (refer note 4F) | 275 | 267 |
| **Total financial assets carried at amortised cost** | **8,015** | **6,495** |

**5. Inventories (valued at lower of cost and net realisable value)**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Raw materials | 38 | 45 |
| | **38** | **45** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

## 6. Deferred tax assets

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| MAT credit entitlement | 420 | 483 |
| | **420** | **483** |

## 7. Tax assets

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Current Tax** | | |
| Advance income tax (net of provision for income tax) | 175 | 240 |
| | **175** | **240** |

## 8. Other assets (Unsecured and considered good unless otherwise stated)

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Non-current** | | |
| Capital advances | 10 | - |
| Balances with government authority (amount paid under protest) | 81 | 81 |
| Prepayments | 1 | 3 |
| | **92** | **84** |
| **Current** | | |
| Advances to supplier and service providers | 55 | 67 |
| Other advances | 6 | 15 |
| Balances with government authority | 14 | 20 |
| Prepaid expenses | 6 | 6 |
| | **81** | **108** |

## 9. Equity share capital

| | Equity Shares | | Preference shares | |
|---|---|---|---|---|
| | No of Shares (in Lakhs) | INR (in Lakhs) | No of Shares (in Lakhs) | INR (in Lakhs) |
| **(i) Authorised share capital** | | | | |
| **As at 01 April 2022** | **0.80** | **8** | **419** | **4,192** |
| Increase/ (decrease) during the year | - | - | - | - |
| **As at 31 March 2023** | **0.80** | **8** | **419** | **4,192** |
| Increase/ (decrease) during the year | - | - | - | - |
| **As at 31 March 2024** | **0.80** | **8** | **419** | **4,192** |
| | | | | |
| **(ii) Issued equity share capital** | | | | |
| **Equity Share of Rs. 10 each issued, subscribed and fully paid** | | | | |
| **As at 01 April 2022** | **0.79** | **8** | **413** | **4,129** |
| Increase/ (decrease) during the year | - | - | - | - |
| **As at 31 March 2023** | **0.79** | **8** | **413** | **4,129** |
| Increase/ (decrease) during the year | - | - | - | - |
| **As at 31 March 2024** | **0.79** | **8** | **413** | **4,129** |

**(iii) Rights, prefrences and restriction attached to Equity shares:**

a. The Company has only one class of equity shares having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. The company declares and pays dividend in Indian rupees. The interim dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

b. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iv) Rights, prefrences and restriction attached to Preference shares:**

Each convertible preference share has a par value of Rs.10/ -each and are convertible into equity shares at the option of the board and investor on the basis of one equity share for every preference share held on or before 15 years from the effective date.

**(v) The details of shares held by shareholder holding more than 5% of shares in the Company.**

| | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares (in lakhs) | % of holding | Number of shares (in lakhs) | % of holding |
| **Equity share of Rs. 10 each fully paid up** | | | | |
| Medicare Environmental Management Private Limited | 0.79 | 100% | 0.79 | 100% |
| **Preference share of Rs. 10 each fully paid up** | | | | |
| Medicare Environmental Management Private Limited | 413 | 100% | 413 | 100% |

**(vi) Shares held by holding company**

| | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares (in lakhs) | % of holding | Number of shares (in lakhs) | % of holding |
| **Equity share of Rs. 10 each fully paid up** | | | | |
| Medicare Environmental Management Private Limited | 0.79 | 100% | 0.79 | 100% |
| **Preference share of Rs. 10 each fully paid up** | | | | |
| Medicare Environmental Management Private Limited | 413 | 100% | 413 | 100% |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**(Vii) Shares held by the promoter**

**As at 31 March 2024**

| Promoter Name | Class of Equity Shares | No. of shares at the beginning of | Change during the year | No. of shares at the end of the | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Medicare Environmental Management Private Limited | Equity shares of Rs.10 each | 0.79 | - | 0.79 | 100% | - |
| Medicare Environmental Management Private Limited | Preference shares of Rs. 10 each | 413 | - | 413 | 100% | - |

**As at 31 March 2023**

| Promoter Name | Class of Equity Shares | No. of shares at the beginning of | Change during the year | No. of shares at the end of the | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Medicare Environmental Management Private Limited | Equity shares of Rs.10 each | 0.79 | - | 0.79 | 100% | - |
| Medicare Environmental Management Private Limited | Preference shares of Rs. 10 each | 413 | - | 413 | 100% | - |

**10 Other equity**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **A. Securities Premium** | | |
| Opening Balance | 24 | 24 |
| Add: Increase/(Decrease) during the year | - | - |
| **Closing Balance (A)** | **24** | **24** |
| **B. Deemed Capital** | | |
| Opening Balance | 2,117 | 2,116 |
| Add: Increase/(Decrease) during the year | 1 | 1 |
| **Closing Balance (B)** | **2,118** | **2,117** |
| **C.Retained Earning** | | |
| Opening Balance | **2,694** | **1,088** |
| Add: Profit for the year | 1,651 | 1,585 |
| Other Comprehensive Income: | | |
| Remeasurement Losses on defined benefit plans (net of tax) | 17 | 21 |
| **Closing Balance (C)** | **4,362** | **2,694** |
| **Total other equity** | **6,504** | **4,835** |

## Nature and purpose of reserves:

**(i) Securities premium**

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

**(ii) Retained earnings**

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

**(iii) Deemed Capital Contribution**

The Company had issued 0.001% redeemable compulsory convertible debentures to group companies. In the previous year, the Company has converted these compulsory convertible debentures into optionally convertible debentures. The same shall be optionally convertible into redeemable preference shares of the Company at any time within 5 years from the effective date at the mutual consent of Company and debenture holder. The instrument is a compound instrument as per Ind AS 109 Financial Instruments and accordingly, equity component has been disclosed under other equity and the debt component has been disclosed under borrowings. Such instruments have been fully repaid during the previous years.

During the year and previous year, Ultimate Holding company provided Employee Stock Option Plan(ESOPs) to employees of our Company and the benefit is shown as Deemed Capital Contribution in the financials and corresponding amount is shown as Salaries expenditure in Statement of Profit and Loss.

(All amounts in Indian Rupees in lakhs, except otherwise stated)

## 11. Financial liabilities

### 11A. Borrowings

| **Current borrowings** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Unsecured** | | |
| Intercorporate deposit Loan from ultimate holding company | 9 | 20 |
| | **9** | **20** |

- Inter corporate deposit from ultimate holding company carries interest @ 10.50% p.a. (P.Y. 2022-2023 @ 10.50%) (refer note 29)

### 11B. Trade payables

| | **31 March 2024** | **31 March 2023** |
|---|---|---|
| - Total outstanding dues to micro enterprises and small enterprises (refer note 30); | 18 | 24 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises. | 155 | 262 |
| - Dues to related parties (refer note 29) | 22 | 12 |
| | **195** | **298** |

**Terms and conditions of the above**
- Trade payables are non-interest bearing and are normally settled within credit terms.
- For explanations on the Company's credit risk management processes, refer note 33.

**Ageing Schedule of Trade Payables:**

| **Particulars** | **Outstanding for the following periods from the due date of payment** | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Provision for expenses** | **Not Due** | **<1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| **As at 31 March 2024** | | | | | | | |
| **Micro Small Medium Enterprises** | | | | | | | |
| - Undisputed Dues | - | 11 | 5 | - | 2 | - | **18** |
| - Disputed dues | - | - | - | - | - | - | **-** |
| **Other than Micro Small Medium Enterprises** | | | | | | | |
| - Undisputed Dues | | | | | | | |
| - Related Parties | - | 22 | - | - | - | - | **22** |
| - Others | 45 | 52 | 53 | 4 | | 1 | **155** |
| - Disputed dues | - | - | - | - | - | - | **-** |
| **As at 31 March 2023** | | | | | | | |
| **Micro Small Medium Enterprises** | | | | | | | |
| - Undisputed Dues | - | 23 | 0 | - | 1 | - | **24** |
| - Disputed dues | - | - | - | - | - | - | **-** |
| **Other than Micro Small Medium Enterprises** | | | | | | | |
| - Undisputed Dues | | | | | | | |
| - Related Parties | - | 12 | - | - | - | - | **12** |
| - Others | 109 | 60 | 10 | 1 | 14 | 68 | **262** |
| - Disputed dues | - | - | - | - | - | - | - |

There are no unbilled payables, hence the same is not disclosed in the ageing schedule.

### 11C. Other financial liabilities

| | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Non Current** | | |
| **At amortised cost** | | |
| Security deposit payable | 99 | 86 |
| | **99** | **86** |
| **Current** | | |
| **At amortised cost** | | |
| Capital creditors | 23 | 4 |
| Retention money payable | - | 8 |
| Interest on micro and small enterprises payable (refer note 30) | 1 | 1 |
| | **24** | **13** |

| **Break up of financial liabilities carried at amortised cost** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| Borrowings (Current) (refer note 11A) | 9 | 20 |
| Trade payables (Current) (refer note 11B) | 195 | 298 |
| Other financial liabilities (Non current) (refer note 11C) | 99 | 86 |
| Other financial liabilities (Current) (refer note 11C) | 24 | 13 |
| **Total of financial liabilities carried at amortized cost** | **327** | **417** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**12. Liabilities for current tax (net)**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Provision for taxes (net of advance tax) | 262 | 263 |
| | **262** | **263** |

**13.Provisions**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Non current** | | |
| Provision for employee benefits | | |
| - Gratuity (Refer note 26) | 31 | 36 |
| - Compensated absences | 28 | 32 |
| | **59** | **68** |
| **Current** | | |
| Provision for employee benefits | | |
| - Gratuity | 10 | 10 |
| - Compensated absences | 10 | 13 |
| Provision for Dividend and Dividend distribution tax | 0 | 0 |
| | **20** | **23** |

**14. Other liabilities**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Current** | | |
| Contract Liability | | |
| - Advances from customers | 162 | 269 |
| - Unearned revenue | - | 4 |
| Statutory dues payable | 30 | 20 |
| | **192** | **293** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

### 15. Revenue from contracts with customers

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Rendering of services** | | |
| - Revenue from waste disposal activities | 3,237 | 2,933 |
| | **3,237** | **2,933** |
| | | |
| **Contract balances** | | |
| Trade receivables | 747 | 574 |
| Contract liabilities | 162 | 274 |

Trade receivables are non-interest bearing and are generally on terms of less than 1 year as mutually agreed by the customers. Contract liabilities include advance from customers

### 16. Other income

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Interest income on | | |
| - Loan to related party | 615 | 451 |
| - Bank and other deposits | 8 | 8 |
| Liabilities no longer required written back | 92 | - |
| Net gain on sale of property, plant and equipment | 0 | 4 |
| Other non-operating income | 0 | - |
| | **716** | **463** |

### 17. Cost of raw material and components consumed

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Inventory at the beginning of the year | 45 | 16 |
| Add: Purchases | 191 | 199 |
| Less: inventory at the end of the year | (38) | (45) |
| | **198** | **170** |

### 18. Employee benefit expense

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Salaries, allowances and wages | 455 | 452 |
| Contribution to provident fund and other funds (refer note 26) | 31 | 31 |
| Staff welfare expenses | 19 | 21 |
| Gratuity expense (refer note 26) | 12 | 14 |
| | **517** | **517** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**19.Finance Cost**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Interest on debt and borrowings | 7 | 3 |
| Interest others | 11 | 0 |
| Other borrowing cost | 0 | 0 |
| Bank charges | 0 | 1 |
| | **18** | **4** |

**20. Depreciation and amortization expense**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Depreciation of property plant and equipment (note 3A) | 89 | 73 |
| | **89** | **73** |

**21. Other expenses**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Sub contract expenses | 1 | - |
| Labour contract charges | 24 | - |
| Waste disposal expenses | 140 | 58 |
| Power and fuel | 216 | 167 |
| Transport charges | 91 | 34 |
| Repairs and maintenance | | |
| - Plant and machinery | 166 | 116 |
| - Others | 9 | 13 |
| Hire charges | 33 | 12 |
| Waste disposal charges | - | 3 |
| Security charges | 11 | 10 |
| Rates and taxes | 37 | 15 |
| Legal and professional charges | 103 | 66 |
| Travelling and conveyance | 15 | 14 |
| Rent | 4 | 3 |
| Insurance | 6 | 4 |
| CSR Expenditure | 30 | 18 |
| Advertisement and business promotion | 1 | 1 |
| Communication expenses | 5 | 5 |
| Printing and stationary | 11 | 5 |
| Office maintenance | 5 | 2 |
| Electricity charges | 28 | 29 |
| Membership & subscription | 30 | 4 |
| Provision for doubtful trade receivables and advances | 1 | 34 |
| Payment to auditors (refer details below) | 3 | 3 |
| Miscellaneous expenses | 8 | 8 |
| | **978** | **623** |
| **(i) Payment to auditors (excluding indirect taxes as applicable)** | | |
| **As auditor:** | | |
| Statutory Audit fee | 3 | 3 |
| | **3** | **3** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

| **(ii) Details of CSR expenditure** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| a) Gross amount required to be spent by the company during the year | 27 | 18 |
| b) Amount approved by the Board to be spent during the year | 30 | 18 |

| c) Amount spent during the year ending on March 31, 2024 | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| i) Construction/ acquisition of any asset | - | - | - |
| ii) On purposes other than (i) above | 30 | - | 30 |

| d) Amount spent during the year ending on March 31, 2023 | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| i) Construction/ acquisition of any asset | - | - | - |
| ii) On purposes other than (i) above | 18 | - | 18 |

| e) Details related to spent / unspent obligations: | **31 March 2024** | **31 March 2023** |
|---|---|---|
| i) Contribution to Public Trust | - | - |
| ii) Contribution to Charitable Trust | 30 | 18 |
| iii) Unspent amount in relation to: | | |
| -Ongoing project | - | - |
| - Other than ongoing project | - | - |

**22. Components of other comprehensive income**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

| | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Items that will not be reclassified to profit or loss** | | |
| Re-measurement gains/ (losses) on defined benefit plans | 17 | 21 |
| Deferred tax on remeasured gain/(loss) | - | - |
| | **17** | **21** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

## 23. Income Tax

The major components of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as follows:

**Profit or loss section**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Current tax expense | 502 | 423 |
| MAT credit entitlement | - | - |
| Prior period tax | - | 1 |
| **Total income tax expense recognised in statement of Profit & Loss** | **502** | **424** |

**OCI Section**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Net (gain) on remeasurement of defined benefit plans | - | - |
| Unrealised (gain)/loss on FVTOCI equity securities | - | - |
| **Income tax charged to OCI** | **-** | **-** |

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

| **Particulars** | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Accounting profit before tax | 2,153 | 2,009 |
| At India's statutory income tax rate of 29.12% (31 March 2023: 29.12%) | 627 | 585 |
| Adjustments in respect of current income tax of previous years | - | 1 |
| **Adjustments** | | |
| Impact of depreciation not considered for deffered tax | (19) | (21) |
| Items which are not tax deductible for computing taxable income | 9 | - |
| Items which are not tax taxable for computing taxable income | (115) | (141) |
| **Income tax expense reported in the statement of profit and loss** | **502** | **424** |

**Deferred tax**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| MAT credit entitlement | 420 | 483 |
| **Deferred tax assets (net)** | **420** | **483** |

| **2023-2024** | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | MAT Credit utilization | Closing balance |
|---|---|---|---|---|---|
| **Deferred tax (liabilities) /assets in relation to:** | | | | | |
| MAT Credit | 483 | - | - | (63) | 420 |
| | **483** | **-** | **-** | **(63)** | **420** |

| **2022-2023** | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | MAT Credit utilization | Closing balance |
|---|---|---|---|---|---|
| **Deferred tax (liabilities) /assets in relation to:** | | | | | |
| MAT Credit | 483 | - | - | - | 483 |
| | **483** | **-** | **-** | **-** | **483** |

### 24. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.
The following reflects the income and share data used in the basic and diluted EPS computations:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Profit for the year | 1,651 | 1,585 |
| Weighted average number of equity shares in calculating basic EPS (lakhs) | 1 | 1 |
| Weighted average number of equity shares in calculating diluted EPS (lakhs) | 414 | 414 |
| | | |
| Earnings per equity share of face value of Rs.10 each | | |
| Basic earnings per share | 2,094 | 2,010 |
| Diluted earnings per share | 4 | 4 |

### 25. Significant accounting judgement, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an "AA" rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.Further details about gratuity obligations are given in Note 26.

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**26. Gratuity and other post-employment benefit plans**

**(a) Defined contribution plan**

The following amount recognised as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Contribution to provident fund recognised as expense in the Statement of Profit and Loss | 31 | 31 |

**(b) Defined benefit plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn basic salary for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following table's summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Statement of profit and loss** | | |
| **Net employee benefit expense recognised in the employee cost** | | |
| Current service cost | 9 | 10 |
| Interest cost on defined benefit obligation | 4 | 5 |
| Interest income on plan assets | (1) | (1) |
| **Net benefit expense** | **12** | **14** |
| Re measurement during the period/year due to : | | |
| Actuarial loss / (gain) arising from change in financial assumptions | 1 | (0) |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | - |
| Actuarial loss / (gain) arising on account of experience changes | (18) | (20) |
| Remeasurements - Return on Assets | - | 0 |
| **Amount recognised in OCI outside profit and loss statement** | **(17)** | **(21)** |
| | | |
| **Balance Sheet** | | |
| **Reconciliation of net liability / asset** | | |
| Closing Present Value of Defined Benefit Obligation | 52 | 57 |
| Closing Fair Value of Plan Assets | 11 | (11) |
| **Closing net defined benefit liability** | **41** | **46** |
| | | |
| **Changes in the present value of the defined benefit obligation are as follows:** | | |
| Opening defined benefit obligation | 57 | 64 |
| Current service cost | 9 | 10 |
| Interest cost | 4 | 5 |
| *Re measurement during the period due to:* | | |
| Actuarial loss/(gain) arising from change in financial assumptions | 1 | (0) |
| Actuarial loss/(gain) arising on account of experience changes | (18) | (20) |
| Benefits paid | (1) | (1) |
| **Closing defined benefit obligation** | **52** | **57** |
| **Net liability is bifurcated as follows:** | | |
| Current | 10 | 10 |
| Non-current | 31 | 36 |
| **Net liability (net of plan assets)** | **41** | **46** |
| | | |
| **Change in fair value of plan assets during the year** | | |
| Opening Fair value of Plan asset | 11 | 10 |
| Interest Income | 1 | 1 |
| Employer contribution | - | 4 |
| Benefits paid | (1) | (4) |
| Re measurement during the period due to : | | |
| Actuarial loss/(gain) arising from change in return on asset | - | 0 |
| **Closing Fair value of Plan asset** | **11** | **11** |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Discount rate (p.a.) | 7.23% | 7.51% |
| Salary escalation rate (p.a.) | 8.00% | 8.00% |
| Mortality rate (as % of IALM (2012-14) (Mod.) Ult. Mortality Table) | 100.00% | 100.00% |
| Disability rate | 0.00% | 0.00% |
| Withdrawal rate | 15.00% | 20.00% |
| Normal retirement age (in years) | 60 Years | 60 Years |
| Adjusted average future service | 20.95 | 21.69 |

| **A quantitative analysis for significant assumptions is as shown below:** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| **Assumptions - Discount rate** | | |
| Sensitivity Level (a hypothetical increase/(decrease) by) | | |
| Impact of Increase in 100 bps on defined benefit obligation | 50 | 55 |
| Impact of Decrease in 100 bps on defined benefit obligation | 55 | 60 |
| **Assumptions - Salary Escalation rate** | | |
| Sensitivity Level (a hypothetical increase/(decrease) by) | | |
| Impact of Increase in 100 bps on defined benefit obligation | 55 | 60 |
| Impact of Decrease in 100 bps on defined benefit obligation | 50 | 55 |
| **Assumptions - Withdrawal rates** | | |
| Sensitivity Level (a hypothetical increase/(decrease) by) | | |
| Impact of Increase in 100 bps on defined benefit obligation | 52 | 57 |
| Impact of Decrease in 100 bps on defined benefit obligation | 52 | 57 |

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.

The following payments are expected contributions to the defined benefit plan in future years:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Expected future benefit payments** | | |
| Within the next 12 months (next annual reporting period) | 10 | 10 |
| Between 2 and 5 years | 29 | 34 |
| Between 6 and 10 years | 21 | 22 |
| Total expected payments | **60** | **66** |

The weighted average duration of the defined benefit plan obligation at the end of the reporting period (based on discounted cash flows) is 5.09 years ( 31 March 2023: 5.00 years)

### 27. Share-based payments

**Share Option Plan for Key Employees**

The company had adopted the 2019 share option plan of its holding company, Re Sustainability Limited (formerly known as Ramky Enviro Engineers Limited(REEL)). Under the plan, the employees of the company may be granted the options of Re Sustainability Limited in accordance with the terms and conditions specified in the plan. The plan is assessed, managed and administered centrally by Re Sustainability Limited. The options granted to employees under the stock option generally vest over 5 years, contingent upon employment or service with the company and performance of the company on the vesting date.

The expense recognised for stock options received during the year is shown in the following table:

| Particulars | 31-Mar-24 | 31-Mar-23 |
|---|---|---|
| Expense arising from Equity - Settled share - based payment Transactions | 1 | 1 |

In the absense of any reimbursement made by the company to Re Sustainability Limited for such stock options provided to employees of company, the amounts in the above table were considered as capital contribution from Re Sustainability Limited.

**28. Contingent Liabilities and Commitments**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| (to the extent not provided for) | | |
| (a) Corporate guarantee to Re Sustainability Limited | 20,050 | 17,850 |
| (b) Disputed claims in respect of income tax | 230 | 230 |
| (c) Capital works remaining to be executed (net of advances paid) | 36 | 44 |

**(d) Pending disputes and Arbitration Details:**

i) During the previous years M/s. New Delhi Municipal Council, client for the project "Collection and Transportation of MSW in NDMC circles, has Terminated the concession agreement by mentioning the material breach of O&M requirements by the company. The company has challenged the same before applicable court and an arbitral tribunal of sole arbitrator was constituted for settlement of claim under The Arbitration and Conciliation Act, 1996. During the arbitral proceedings, claim and counter claim petitions were submitted by both the parties. As of now, our Witness's deposition recording is still continuing. Because of change in lawyer for respondent side, cross examination could not be completed in last proceedings. Next date of hearing is to be declared by the Arbitrator. Post conclusion of oral evidence from either side, parties shall lead oral arguments followed by written arguments submission. Duirng the year the proceedings have been adjourned and next date is yet to be scheduled.

ii) During the previous years, the company had sent a termination notice to the Kottayam Municipality, client for the project "Construction and operation of Municipal Solid Waste Treatment Plant in Kottayam, for non payment of dues and failure to address the issues of the project at various forums. The company had filed a writ petition before the honorable High Court of Kerala at Ernakulam. During the previous year, the honorable High Court directed the client to consider the company's claim and pass the appropriate orders, as there was no response from the client the company decided to appoint its arbitrator with a request to the client to nominate their arbitrator so that in turn both nominated arbitrators may nominate presiding arbitrator thus forming Arbitral Tribunal for settlement of claim under The Arbitration and Conciliation Act, 1996. Having complied due process, Tribunal commenced its hearing. During the arbitral proceedings, Ld. Arbitrator appointed by Hon'ble High Court on behalf of Respondent had resigned. Client nominated its replacement arbitrator which we objected stating that client can't nominate its arbitrator. Meanwhile, the company filed application before Hon'ble High Court for replacement of arbitrator while challenging appointment of arbitrator by Kottayam Municipality. Unfortunately, the case was dismissed and the Company has approached Hon'ble Supreme Court as Special Leave Petition (SLP) against the dismissal of our application. The Arbitral Tribunal now finally consists of Hon'ble Justice T.V. Ramakrishnan, Hon'ble Justice K.S. Panicker Radhakrishnan & Hon'ble Justice George Omen. The respondents took a preliminary objection stating that the claims raised by the claimant is barred by Limitation. The Tribunal directed the parties to argue the matter and that the decision on the preliminary objection of limitation will be delivered after the final arguments have been completed.

iii) During the previous years, The Bruhat Bangalore Mahanagara Palike, the client for the project "Integrated Municipal Solid Waste Processing and Engineering Sanitary Land fill" at Bangalore send a termination notice by mentioning the non fulfilment of conditions in the agreement. It was challenged by us in the Court which led to constitution of Arbitral Tribunal of sole arbitrator. The Arbitration tribunal constituted on mutual consent and sole arbitrator was appointed as to settle the dispute. Arbitral Tribunal while dismissing counter claim, passed the award in our favour. The company has received the arbitration award for an amount of Rs.4 Crores as lump-sum against company claim of Rs.108.44 Crores and the company filed an appeal against the arbitral award before the honorable High Court of Karnataka. Instead of replying to Bruhat Bangalore Mahanagara Palike petitions and filing execution petition for Rs.4.0 Cr lumpsum award, the Company has filed a memo before commercial court for arguments as both parties are contending that award. During the year The High court has remanded back the matter to commercial court to hear both the parties and dispose the petition within 6 months.

Management believes that though the amounts receivable from the above projects are long outstanding, these are good and recoverable. However, as as a matter of abundant caution the management charged off an amount of Rs. 1949.32 lakhs in previous years towards impairment of assets in the above units.

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**29. Related party transactions**

**A) Nature of relationship and names of related parties**

| Nature of relationship | Name of Related parties |
|---|---|
| i) Holding Company | Medicare Environmental Management Pvt Limited |
| ii) Ultimate Holding Company | Re Sustainability Limited |
| iii) Group Companies | Delhi MSW Solutions Limited |
| | Maridi Bio Industries Private Limited |
| | Re Sustainability IWM Solutions Limited (Formerly known as Tamilnadu Waste Management Limited) |
| | Re Sustainability & Recycling Private Limited (formerly Ramky Reclamation & Recycling Limited) |
| | Hyderabad MSW Energy Solutions Pvt. Ltd. |
| | Hyderabad C&D Waste Pvt. Ltd |
| | IP MSW Solutions Limited |
| | Chennai MSW Private Limited |
| iv) Entities controlled by persons having Control / significant Inflence over company | Ramky Foundation |
| v) Key Managerial Person/Directors | Ramamohan Rao Rajanala - Director |
| | Satyanarayana Adamala - Director |
| | P Gangadhara Sastry - Additional Director (till 30.09.2023) |
| | Srikanth Reddy Rolla - Chief Financial Officer |
| | Prasad Reddy Bheemi Reddy - Wholetime Director |
| | Sanket Jaiswal - Company Secretary (Resigned on 15.07.2023) |
| | Manoj Khumawat - Company Secretary (From 11.09.2023) |

**B) Transactions with the related parties during the year**

| | Nature of Transaction | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| i) Re Sustainability Limited | Waste disposal Charges Exp | 19 | 35 |
| | Intercorporate Deposit taken | 571 | 201 |
| | Intercorporate Deposit repaid | 587 | 199 |
| | Interest expense | 7 | 3 |
| ii) Delhi MSW Solutions Limited | Interest income | 8 | 38 |
| | Intercorporate Deposit received back | 443 | |
| iii) Re Sustainability IWM Solutions Limited | Waste disposal Charges | 85 | 29 |
| iv) Medicare Environmental Management Pvt Limited | Reimbursement of Expenses | - | 0 |
| v) P Gangadhara Sastry | Director Sitting fee | 1 | 2 |
| vi) Re Sustainability & Recycling Private Limited | Purchase of Bags | 112 | 129 |
| | Transportation exp. | 5 | 3 |
| | Sale of Scrap | 4 | |
| | Intercorporate Deposit granted | 679 | 820 |
| | Interest Income | 137 | 20 |
| vii) Maridi Bio Industries Private Limited | Interest Income | 14 | 53 |
| | Intercorporate Deposit granted | - | 110 |
| | Intercorporate Deposit received back | 338 | 335 |
| | Purchase of P&M Asset | - | 1 |

**Re Sustainability Healthcare Solutions Limited**
**(CIN: U40105TG2006PLC049237)**
**Notes to financial statements for the year ended 31 March 2024**
(All amounts in Indian Rupees in lakhs, except otherwise stated)
**B) Transactions with the related parties during the year(Cntd)**

| | | | |
|---|---|---|---|
| viii) Hyderabad MSW Energy Solutions Pvt. Ltd. | Interest Income | 56 | 51 |
| ix) Prasad Reddy Bheemi reddy | Remuneration paid | 40 | 35 |
| x) Hyderabad C&D Waste Pvt. Ltd | Intercorporate Deposit granted | 705 - | |
| | Interest Income | 272 | 242 |
| xi) Chennai MSW Private Limited | Intercorporate Deposit granted | 1,015 | 285 |
| | Intercorporate Deposit received back | 201 | 100 |
| | Interest Income | 98 | 3 |
| xii) IP MSW Solutions Limited | Intercorporate Deposit granted | 772 | 577 |
| | Intercorporate Deposit received back | 1,415 | |
| | Interest Income | 27 | 45 |
| xiii) Chennai Enviro Solutions Private Limited | Intercorporate Deposit granted | 75 | - |
| | Interest Income | 3 | - |
| xiv) Ramky Foundation | Donation/CSR Expenditure | 30 | 18 |
| xv) Sanket Jaiswal | Remuneration paid | 2 | 6 |
| xvi) Manoj Khumawat | Remuneration paid | 4 | - |

**C) Balance outstanding at the end of the year**

| | Nature of Transaction | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| i) Re Sustainability Limited | Intercorporate Deposit Taken | 9 | 20 |
| | Trade payables | 0 | 1 |
| ii) Medicare Environmental Management Private Limited | Equity Share Capital | 8 | 8 |
| | Preference Share Capital | 4,129 | 4,129 |
| | Reimbursement of Expenses | 0 | 0 |
| iii) Delhi MSW Solutions Limited | Intercorporate Deposit given | - | 436 |
| iv) Re Sustainability & Recycling Private Limited | Investment in Preference shares | 657 | 657 |
| | Trade payables | 14 | 8 |
| | Trade Receivables | 5 | - |
| | Intercorporate Deposit given | 1,640 | 838 |
| v) Re Sustainability IWM Solutions Limited | Trade payables | 8 | 2 |
| | Investment in Preference shares | 1,029 | 1,029 |
| vi) Maridi Bio Industries Private Limited | Investment in Preference shares | 219 | 219 |
| | Intercorporate Deposit given | 13 | 339 |
| | Trade payables | - | 1 |
| vii) Hyderabad MSW Energy Solutions Ltd. | Intercorporate Deposit given | 583 | 532 |
| viii) Hyderabad C&D Waste Pvt. Ltd | Intercorporate Deposit given | 3,468 | 2,518 |
| ix) Chennai MSW Private Limited | Intercorporate Deposit given | 1,089 | 188 |
| x) IP MSW Solutions Private Limited | Intercorporate Deposit given | - | 618 |
| xi) Chennai Enviro Solutions Private Limited | Intercorporate Deposit given | 78 | - |

(All amounts in Indian Rupees in lakhs, except otherwise stated)

**30 The following details relating to micro, small and medium enterprises shall be disclosed in the notes**

| | | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| a) | the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | 18 | 24 |
| b) | the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | 1 | 1 |
| c) | the amount of interest due and payable for the period of delay in making payment ( which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| d) | the amount of interest accrued and remaining unpaid at the end of each accounting year; and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest | 1 | 1 |
| e) | dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

**31 Segment Reporting**

**Operating Segments**

The Company has only one segment i.e. carrying on the business of providing integrated waste management solutions for industrial (Harzardous) waste & Bio medical waste, as such no separate financial disclosure for the primary segment were provided in respect of its single business segment.

**32 Fair values including Fair value hierarchy**

The management assessed that loans, trade receivables, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts as fair value.

**33 Financial risk management objectives and policies**

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk and Liquidity risk.

**i) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk. Financial instruments affected by market risk include loans, borrowings and deposits.

**ii) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade Receivables**

Credit risk with respect to trade receivables is limited, based on our historical experience of collecting receivables, supported by the level of default.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's top management in accordance with the Company's policy.

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Company's board of directors.

The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**iii) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

(All amounts in Indian Rupees in lakhs, except otherwise stated)

The table below analyses derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| | Carrying Value | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years |
|---|---|---|---|---|---|---|
| **As at 31 March 2024** | | | | | | |
| Borrowings | 9 | - | - | 9 | - | - |
| Other financial liabilities | 123 | - | - | 24 | 99 | - |
| Trade payables | 195 | - | 106 | 89 | - | - |
| **As at 31 March 2023** | | | | | | |
| Borrowings | 20 | - | - | 20 | - | - |
| Other financial liabilities | 99 | - | - | 13 | 86 | - |
| Trade payables | 298 | - | 161 | 136 | - | - |

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows

**34 Capital management**

For the purpose of the Companys capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March 2024, the Company has equity, preference shares issued to holding company shares and has debt only from holding and group companies . In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

**35 Ratio Analysis and its elements**

| Ratio | Numerator | Denominator | 31 March 2024 | 31 March 2023 | % change | Reason for variance |
|---|---|---|---|---|---|---|
| Current ratio | Current Assets | Current Liabilities | 1.54 | 1.17 | 31.50% | Due to current year profits decrease in trade payables during the year |
| Debt- Equity Ratio | Total Debt | Shareholder’s Equity | 0.001 | 0.002 | -59.74% | Due to repayment of debt during the year |
| Debt Service Coverage ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | 102.44 | 648.63 | -84.21% | Due to repayment of debt during the year |
| Return on Equity ratio | Net Profits after taxes – Preference Dividend | Average Shareholder’s Equity | 16.83% | 19.40% | -13.24% | |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | 10.05 | 11.09 | -9.39% | |
| Trade Receivable Turnover Ratio | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | 4.21 | 4.34 | -2.91% | |
| Trade Payable Turnover Ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | 6.72 | 4.79 | 40.51% | Due to current year profits decrease in trade payables during the year |
| Net Capital Turnover Ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | 8.57 | 19.00 | -54.88% | Increase in working capital because of decrease in trade payables during the year |
| Net Profit ratio | Net Profit | Net sales = Total sales - sales return | 50.99% | 54.03% | -5.62% | |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 57.14% | 57.08% | 0.09% | |

**36** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility with the exception being privileged users possessing the ability to deactivate the audit trail at any point. Further the audit trail has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with was noted in respect of other software.

**37 Other Statutory Information:**

a) No proceedings has been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

b) The Company do not have any transactions with companies struck off.

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

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have 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:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

h) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**38** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. 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. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**39 Standards issued but not effective**

There are no standards that are notified and not yet effective as on the date.

**40 Significant events after the reporting period**

There were no significant adjusting events that occurred subsequent to the reporting period.

**41** Previous year figures have been regrouped / rearranged whereever necessary to confirm the current year classification.

As per our report of even date attached.
**for A B V & Associates**
Chartered Accountants
ICAI Firm Registration No.004937S

ARNAPALLI SIVUNNAIDU
Digitally signed by ARNAPALLI SIVUNNAIDU
Date: 2024.05.22 23:14:34 +05'30'

**A.S.Naidu**
Partner
Membership No: 208582

Place: Hyderabad
Date: 22.05.2024

For and on behalf of the Board of Directors of
**Re Sustainability Healthcare Solutions Limited**
(CIN: U40105TG2006PLC049237)

Satyanarayana Adamala
Digitally signed by Satyanarayana Adamala
DN: c=IN, o=Personal, title=8686, pseudonym=062e650913b341d896bd208817452c11, 2.5.4.20=824ee56fcf94cd9d294690937bf32abb86a5790c1989ec83f30b6634ac6d93d4, postalCode=500032, st=Telangana, serialNumber=f9cd481cc1cf74c0e7e7d91ee7b9d250ec9657dc1bc4739a1022de8056bf1b6d, cn=Satyanarayana Adamala
Date: 2024.05.22 18:46:17 +05'30'

**Satyanarayana Adamala**
Director
DIN: 05198294

BHEEMI REDDY PRASAD REDDY
Digitally signed by BHEEMI REDDY PRASAD REDDY
DN: c=IN, o=Personal, title=5343, pseudonym=133026834628678014ri54Goz8Xb3rbF, 2.5.4.20=d2639a93d140c13a478e50b22e8ad9f53170e28a46cdbd6820e9271cf3ad31a9, postalCode=500072, st=Telangana, serialNumber=c1eacb0440cc3a37c295ca3db22f653f0b1e0c00431cd179bf559584722e5674, cn=BHEEMI REDDY PRASAD REDDY
Date: 2024.05.22 18:47:02 +05'30'

**B. Prasad Reddy**
Wholetime Director
DIN: 03614865

Rolla Srikanth Reddy
Digitally signed by Rolla Srikanth Reddy
DN: c=IN, o=Personal, title=7930, pseudonym=133270543081729227L3bPGC5H3O845n, 2.5.4.20=fa79bbff24c8602a9830051bf81ef6b1bc20920dcb6a66f9542b780510930b1b, postalCode=500089, st=Telangana, serialNumber=1ad2c388df7a05134de0b576420896c7790401eaa4abdcc3ae9a1b266ea1ae60, cn=Rolla Srikanth Reddy
Date: 2024.05.22 18:52:23 +05'30'

**R.Srikanth Reddy**
Chief Financial Officer

MANOJ KUMAWAT
Digitally signed by MANOJ KUMAWAT
DN: c=IN, o=Personal, title=1443, pseudonym=1334374957679463276v2huj7N2Yg7dr, 2.5.4.20=7e02390185150e30670a3a86d018f3afe7222c839353973d3bb405d3bd0ab04d, postalCode=452001, st=Madhya Pradesh, serialNumber=5046bf44c03a6dec3b123e2bc9e7117908225c3301ec90bd921b039b44351bd1, cn=MANOJ KUMAWAT
Date: 2024.05.22 18:53:14 +05'30'

**Manoj Kumawat**
Company Secretary
Membership No. A72260

Place: Hyderabad
Date: 22.05.2024