

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRUALT BIOENERGY LIMITED (FORMERLY KNOWN AS TRUALT ENERGY LIMITED)

Report on the audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial Statements of **TruAlt Bioenergy Limited** (formerly known as TruAlt Energy Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Cash Flows and the Standalone Statement of Change in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI), together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	Valuation of Inventories The Company has significant inventory balance of Ethanol as at March 31, 2024. The inventory is valued at the lower of cost or net realizable value. Inventory management, stocktaking routines and costing of inventories are underlying key factors in determining the value of inventories. Due to complexity of the inventory valuation calculations, the valuation of inventories is considered as a key audit matter.	Audit Procedures Our audit procedures related to valuation of inventories included: • Evaluating the appropriateness of the accounting policies applied by reference to IND AS. • Assessing functionality of the key IT systems of inventory management. • Testing of controls over inventory management and accuracy of inventory amounts. • Performing substantive audit procedures in order to test the accuracy of inventory valuation at the lower of cost or net realization value at reporting date by testing selected inventory items to relevant components of valuation.
2.	Revenue Recognition as per IND AS 115 Refer note no. 24 to the standalone financial statements.	Audit Procedures Our audit procedures related to the identification of distinct performance obligations included the following, among others: • We tested the effectiveness of controls relating to the identification of distinct performance obligations. • We selected a sample of contracts with customers and performed the following procedures: – Obtained and read contract documents for each selection, including master service agreements and other documents that were part of the agreement. – Identified significant terms and deliverables in the contract to assess management's



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
		conclusions regarding the identification of distinct performance obligations.
3.	Interest Subvention Income Refer note no. 25 to the standalone financial statements.	Our audit procedures included the following: • We verified the sanction letters received from National Bank for Agriculture and Rural Development (NABARD) with respect to eligibility of the government grant • We verified the underlying calculations used to derive the amount of interest Subvention. • We further assessed the impact of interest subvention in accordance with IND AS 16 and IND AS 23.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and auditor's report(s) thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of the standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company, in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going



concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 an 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
- (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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss, including Other Comprehensive Income, Standalone Statement of Cash Flows and Standalone Statement of Change in Equity, dealt with by this Report, are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (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 no pending litigations as at March 31, 2024.
- ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The preference dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. The Company has proposed preference dividend for the year which is subject to the approval of the Members at the ensuing Annual General Meeting. The amount of Dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.



While proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, on preservation of audit trail as per the statutory requirements for record retention is applicable only from April 1, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India, in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

For N. M. Raji & Co.
Chartered Accountants
Firm Registration Number: 108296W



Santosh Burande
Partner
Membership Number: 214451
UDIN: 24214451BKBLVN4534



Place: Bengaluru
Date: August 3, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TRUALT BIOENERGY LIMITED (FORMERLY KNOWN AS TRUALT ENERGY LIMITED)

(Referred to in Paragraph 1 point (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 TruAlt Bioenergy Limited (Formerly known as TruAlt Energy Limited) ("the Company") as at March 31, 2024, in conjunction with our audit of the standalone 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. 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 standalone 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 standalone 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 standalone 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 standalone 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 N. M. Raji & Co.

Chartered Accountants

Firm Registration Number: 108296W

Santosh Burande

Partner

Membership Number: 214451

UDIN: 24214451BKBLVN4534



Place: Bengaluru

Date: August 3, 2024

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TRUALT BIOENERGY LIMITED (FORMERLY KNOWN AS TRUALT ENERGY LIMITED)

(Referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. (a) (A) The Company has maintained proper records, showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company has a program of verification to cover all the items of Property, Plant & Equipment and right-of-use assets, in a phased manner once in three years, which, in our opinion, is commensurate with the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the records such as property tax receipts, registered sale deed/ transfer deed/ conveyance deed etc. provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, including the Property, Plant & Equipment (other than properties where the Company is the lessee), are held in the name of the Company, as at the balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and/ or intangible assets. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable to the Company.

(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.
- ii. (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on physical verification of stocks.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crores, in aggregate, from bank on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such bank is in agreement with the books of account of the Company. The Company has not been sanctioned any working capital limit from the financial institutions.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted



any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below:

Particulars	Loans
Aggregate amount during the year	
- Subsidiary	Rs. 107.24 lakhs
Balance Outstanding as at Balance Sheet date	
- Subsidiary	NIL

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantees or security or granted any advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the principal amount is repayable on demand and payment of interest has been stipulated and the receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has granted loan repayable on demand to its subsidiary amounting to Rs. 107.24 lakhs which is 100% of the loan given granted by the Company and the outstanding balance of the Loan as at March 31, 2024 is Rs. NIL.

- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of



the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, customs duty, goods and service tax, cess and other statutory dues, applicable to it, with the appropriate authorities.

There were no undisputed amounts payable in respect of the above statutory dues in arrears as at March 31, 2024, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - (a) The Company has generally been regular in the repayment of dues towards loans and borrowings.
 - (b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
 - (c) According to the information and explanations given to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
 - (d) According to the information and explanations given to us, there are no funds raised on short term basis. Accordingly, reporting under clause (ix) (d) of paragraph 3 of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any



funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-Section (12) of Section 143 of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government, during the year and up to the date of this report.
- (c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints have been received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and corresponding details have been disclosed in the standalone financial Statements, as required by the applicable Indian accounting standards.
- xiv. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with its directors or persons connected with its directors; hence provisions of section 192 of the Act are not applicable. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. To the best of our knowledge and belief, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause (xvi) (a), (b), (c) and (d) of paragraph 3 of the Order is not applicable to the Company.



- xvii. The Company has not incurred cash losses during the year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix. In our opinion and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of evidence and supporting the assumptions, nothing has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet, as and when they fall due, within a period of one year from the balance sheet date. We 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. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, with respect to transfer of funds by the Company to implementing agencies for designated multiyear projects undertaken through them, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to ongoing projects. Accordingly reporting under clause 3(xx)(b) of the Order is not applicable.

For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration Number: 108296W



Santosh Burande
Partner
Membership Number: 214451
UDIN: 24214451BKBLVN4534



Place: Bengaluru
Date: August 3, 2024

TruAlt Bioenergy Limited
Standalone Balance Sheet as at 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,22,862.23	1,14,863.53
Capital work-in-progress	5	20,125.37	961.88
Goodwill	6	4,786.18	4,786.18
Other intangible assets	6	9,402.31	10,508.23
Investments	7	1,691.52	-
Other non-current assets	8	13,225.23	8,067.79
Total non-current assets		1,72,092.84	1,39,187.61
Current assets			
Inventories	9	15,551.38	15,348.50
Financial assets			
Investments	7	1,000.02	-
Trade receivables	10	29,692.79	8,654.24
Cash and cash equivalents	11	1,738.09	477.91
Other financial assets	12	550.59	16,935.86
Government grant	13	4,999.32	-
Income tax assets (net)		397.13	-
Other current assets	14	10,294.86	4,993.81
Total current assets		64,224.18	46,410.32
Total assets		2,36,317.02	1,85,597.93
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	6,107.58	6,107.58
Other equity	16	20,808.76	17,941.89
Total equity		26,916.34	24,049.47
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	95,434.73	1,07,033.29
Other financial liabilities	18	0.40	1,120.40
Provisions	19	191.19	64.62
Deferred tax liability (net)	32	10,343.58	9,076.86
Total non-current liabilities		1,05,969.90	1,17,295.17
Current liabilities			
Financial liabilities			
Borrowings	20	70,289.45	7,976.64
Trade payables	21		
i) total outstanding dues of micro enterprises and small enterprises		23.30	138.46
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		13,741.76	30,733.94
Other financial liabilities	22	19,222.76	5,188.10
Other current liabilities	23	139.04	211.49
Provisions	19	14.47	4.66
Total current liabilities		1,03,430.78	44,253.29
Total liabilities		2,09,400.68	1,61,548.46
Total equity and liabilities		2,36,317.02	1,85,597.93

The accompanying notes 1 to 57 are an integral part of the standalone financial statements.

As per our report of even date
For N. M. Rajji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: August 03, 2024



For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	24	1,21,707.96	76,238.03
Other income	25	5,634.97	-
Total income		1,27,342.93	76,238.03
Expenses			
Cost of material consumed	26	76,856.81	56,733.13
Purchase of stock-in-trade		3,842.00	1,678.05
Changes in inventories of finished goods	27	(525.57)	(8,271.14)
Employee benefits expense	28	2,358.09	859.41
Finance costs	29	14,101.02	3,531.06
Depreciation and amortization expense	30	5,578.30	2,075.08
Other expenses	31	20,401.82	14,733.93
Total expenses		1,22,612.47	71,339.52
Profit before tax		4,730.46	4,898.51
Tax expense			
Current tax	32	-	-
Deferred tax	32	(1,269.33)	(1,352.52)
Total income tax expense		(1,269.33)	(1,352.52)
Profit for the year		3,461.13	3,545.99
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gain on defined benefit plans		(10.38)	-
Income tax effect on the above		2.61	-
Net other comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods		(7.77)	-
Total other comprehensive (loss) / income for the year		(7.77)	-
Total comprehensive income for the year		3,453.36	3,545.99
Earnings per share (Face value of INR 10/- each)			
Basic earnings per share (INR)	34	4.71	7.10
Diluted earnings per share (INR)	34	4.71	7.10

The accompanying notes 1 to 57 are an integral part of the standalone financial statements.

As per our report of even date
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Chief Financial Officer


Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited
Standalone statement of changes in equity for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

(A) Equity share capital

	31 March 2024	
	No. of shares	Amount
For the year ended		
Equity shares of INR 10 each issued, subscribed and fully paid	6,10,75,820	6107.58
Balance as at 1 April 2023	-	-
Changes in equity share capital during the year	6,10,75,820	6107.58
Balance as at 31 March 2024		

	31 March 2023	
	No. of shares	Amount
For the year ended		
Equity shares of INR 10 each issued, subscribed and fully paid	61,000	6.10
Balance as at 1 April 2022	6,10,14,820	6101.48
Changes in equity share capital during the year	6,10,75,820	6107.58
Balance as at 31 March 2023		

(B) Other equity

For the year ended 31 March 2024			
Particulars	Equity component of compound financial instruments	Retained Earnings	Total other equity
Balance as at 1 April 2023	14,690.38	3,251.51	17,941.89
Profit for the year	-	3,461.13	3,461.13
Other comprehensive (loss)/income for the year	-	(7.77)	(7.77)
Total Comprehensive Income for the year	-	3,453.36	3,453.36
Issue of Compulsorily Convertible Preference Shares (Refer note 15 B)	-	-	-
Dividend on Compulsorily Convertible Preference Shares (Refer note 15 B)	-	(586.49)	(586.49)
Balance as at 31 March 2024	14,690.38	6,118.38	20,808.76

For the year ended 31 March 2023			
Particulars	Equity component of compound financial instruments	Retained Earnings	Total other equity
Balance as at 1 April 2022	-	(1.23)	(1.23)
Profit for the year	-	3,545.99	3,545.99
Other comprehensive income for the year	-	-	-
Total Comprehensive Income for the year	-	3,545.99	3,545.99
Issue of Compulsorily Convertible Preference Shares (Refer note 15 B)	14,690.38	-	14,690.38
Dividend on Compulsorily Convertible Preference Shares (Refer note 15 B)	-	(293.25)	(293.25)
Balance as at 31 March 2023	14,690.38	3,251.51	17,941.89

The accompanying notes 1 to 57 are an integral part of the standalone financial statements.

As per our report of even date
For N. M. Rajji & Co.,
Chartered Accountants
Firm Registration No. : 108296W


Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: August 03, 2024



For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
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Vijaykumar Murugesh Nirani
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Place: Bengaluru
Date: August 03, 2024




Vishal Nirani
Director
DIN: 08434032


Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

TruAlt Bioenergy Limited
Standalone Statement of cash flows for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	4,730.46	4,898.83
Adjustments for		
Depreciation and amortization expenses	5,578.30	2,075.15
Finance cost	14,101.03	3,530.65
(Reversal) / Allowances for trade receivables	(6.26)	6.26
Provision for gratuity and leave encashment	126.18	19.11
Net gain/(loss) on fair value changes of mutual funds	0.07	-
Unrealised forex gain or loss	7.71	-
Operating profit before working capital changes	24,537.49	10,530.00
Changes in working capital		
Increase / (Decrease) in trade payables	(17,115.05)	28,756.34
(Increase) / Decrease in inventories	(202.88)	(11,074.38)
(Increase) / Decrease in trade receivables	(21,032.29)	(6,806.55)
Increase / (Decrease) in other current liabilities	(72.45)	83.69
Increase / (Decrease) in other financial liabilities	10,665.71	(10,452.90)
(Increase) / Decrease in other financial assets	16,385.27	(1,750.94)
(Increase) / Decrease in other assets	(9,935.75)	14,064.06
Cash generated from operations	3,230.05	23,349.32
Income tax paid	(397.13)	-
Net cash flow from operating activities (A)	2,832.92	23,349.32
Cash flow from Investing activities		
Cash outflow on acquisition of distillery business	-	(87,304.07)
Purchase of property plant and equipment including CWIP	(36,190.54)	(27,554.10)
Cash outflow on acquisition of shares in subsidiary	(1,691.59)	-
Investment in mutual funds	(999.95)	-
Net cash flow used in investing activities (B)	(38,882.08)	(1,14,858.17)
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	6,101.49
Commitment charges paid	-	(450.35)
Proceeds from loans (net of transaction cost)	29,912.48	86,352.88
Repayment of loans	(7,976.06)	(23.36)
Proceeds from short term borrowings	25,455.37	-
Interest paid	(10,082.45)	-
Net cash flow from financing activities (C)	37,309.34	91,980.66
Net increase in cash and cash equivalents (A+B+C)	1,260.18	471.81
Cash and cash equivalents at the beginning of the year	477.91	6.10
Cash and cash equivalents at the end of the year	1,738.09	477.91
Cash and cash equivalents comprise (Refer note 11)		
Balances with banks		
On current accounts	1,738.09	477.91
Total cash and bank balances at end of the year	1,738.09	477.91

The accompanying notes 1 to 57 are an integral part of the standalone financial statements.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451



Place: Bengaluru
Date: August 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
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DIN: 07413777

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DIN: 08434032

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Chief Financial Officer

Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited

Notes to the standalone financial statements for the year ended 31 March 2024

1 Corporate Information

TruAlt Bioenergy Limited (the "Company") (formerly known as TruAlt Energy Limited) is a public company domiciled in India. It was incorporated on March 31, 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol, Karnataka. The Company is primarily engaged in the business of producing ethanol and other products derived from distillery processes. These standalone financial statements were approved for issue in accordance with a resolution of the directors on August 03, 2024.

2 Material accounting policy information

Material accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules frame thereunder.

(b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

- i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)
- ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.
- iii) Accounting for business combination as set out in note 33.

(c) Use of estimates

In preparation of these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Refer note 3 for details of the key estimates and judgments.

2.2 Summary of Material Accounting Policies

(a) Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured, at acquisition date fair value and the amount of any NCI in the acquiree. Acquisition-related costs are expensed as and when they are incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the Statement of Profit and Loss.



(a) Business Combination and Goodwill (Contd.)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as Capital Reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as Capital Reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(b) Current versus Non Current Classification

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

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



(b) Current versus Non Current Classification (Contd.)

All Other Assets are classified as non-current.

A liability is treated as 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 from 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.

(c) Fair value measurement

The Company measures financial instruments 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 accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instruments.

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

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(d) Revenue Recognition

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. Revenue contracts are on a principal to principal basis and the Company is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods or Ex- Works, basis the terms of the contract. Payment for the sale is made as per the credit terms in the agreements with the customers. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).



(d) Revenue Recognition (Contd.)

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the company does not have ability to use the product or to direct it to another customer.

Contract balances - 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).

(e) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance is provided by the government in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is accounted as other income in the statement of profit and loss.

(f) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered 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 year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside profit or loss (either in OCI 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 establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



Deferred tax (Contd.)

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

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

(g) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Factory Building	30-40
Other Buildings	40-50
Plant & Machinery	10-25
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5
Computers	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.



(h) Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Company amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Customer relationship	10

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(i) 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 and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(j) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and stores and spare parts:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- **Finished goods and work-in-progress:** cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

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

(k) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and are reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").



(l) Provisions and contingent liabilities

- (a) Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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 recognized as a finance cost.

- (b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.
- (c) Contingent asset is not recognized in the standalone financial statements; however, is disclosed where an inflow of economic benefits is probable.
- (d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each balance sheet date.

(m) Employee Benefits

Short-term obligations

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

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the OCI in the year in which they arise.



Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the Statement of Profit and Loss. The obligations are presented as Current Liabilities in the Balance Sheet, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(n) Financial Instrument

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.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:

- a) at amortized cost; or
- b) at fair value through OCI; or
- c) at fair value through profit or loss.

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

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Investment in Subsidiaries: Investment in subsidiaries are measured at cost less impairment loss, if any.



Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if the 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 recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognized only when:

- a) the right to receive cash flows from the financial asset is transferred; or
- b) the Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as a finance costs.



(iii) Offsetting financial instruments

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

(0) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise of cash at banks only.

(p) Earnings Per Share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company after deducting preference dividend by the weighted average number of equity shares outstanding during the financial year.

Diluted EPS is calculated by adjusting the figures used in the determination of basic EPS to consider:

- The interest associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Rounding off amounts

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

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, 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.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.



(b) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit plans such as gratuity and leave encashment 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis. For details refer note 35.

(c) **Estimation of Net Realizable value for Inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(d) **Useful life of Property, Plant and Equipment and Intangible Asset**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

4 New and Amended Standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial Information is required to be disclosed.



5 Property, plant and equipment and Capital work-in progress

	Gross Block			Net block	
	As at 1 April 2023	Acquisition through Business Combination	Additions	Deductions	As at 31 March 2024
Owned assets					
Land	4,673.12	-	1,534.22	-	6,207.34
Building-Factory	11,247.51	-	-	-	11,247.51
Building-Others	291.98	-	-	-	291.98
Temporary sheds	34.70	-	-	-	34.70
Plant and machinery	99,929.97	-	10,863.75	-	1,10,793.72
Furniture and fixtures	12.26	-	3.77	-	16.03
Office Equipment	3.48	-	5.65	-	9.13
Computers	193.08	-	37.38	-	230.46
Vehicle	1.52	-	26.31	-	27.83
Total	1,18,387.62	-	12,471.68	-	1,28,858.70
Capital work-in progress	961.88	-	29,945.37	(10,781.88)	20,125.37

	Gross Block			Net block	
	As at 1 April 2022	Acquisition through Business Combination Refer Note 33	Additions	Deductions	As at 31 March 2023
Owned assets					
Land	-	4,673.04	97.06	-	4,673.12
Building-Factory	-	10,934.58	312.93	-	11,247.51
Building-Others	-	297.98	4.30	-	291.98
Temporary sheds	-	34.70	-	-	34.70
Plant and machinery	-	46,944.20	52,965.77	-	99,929.97
Furniture and fixtures	-	11.19	1.07	-	12.26
Office Equipment	-	3.48	-	-	3.48
Computers	-	5.20	187.88	-	193.08
Vehicle	-	1.52	-	-	1.52
Total	-	62,798.59	53,569.03	-	1,15,387.62
Capital work-in progress	-	26,401.34	27,681.51	(53,120.97)	961.88

Notes:

- a) The Company has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment), refer note 51.
b) For capital commitment with regards to property plant and equipment, refer note 53.
c) Included in this amount are capitalised specific borrowing costs related to the project expansion of 500 KLPD amounting to INR 975.60 lakhs, calculated using a capitalisation rate of 5.89%.
d) The Company has not revealed its property, plant and equipment during the current year.

Capital-work-in progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	
Projects in progress	-	-	20,125.37	-	20,125.37
Projects temporarily/suspended	-	-	-	-	-
Total	-	-	20,125.37	-	20,125.37

There are no projects under Capital Work in progress where the completion is overdue or has exceeded its cost compared to its original plan.

	Accumulated depreciation			Net block	
	As at 1 April 2023	Acquisition through Business Combination	For the year Deductions	As at 31 March 2024	As at 31 March 2023
Owned assets					
Land	-	-	-	-	-
Building-Factory	196.60	-	395.41	592.01	4,673.12
Building-Others	4.86	-	9.75	14.61	11,050.91
Temporary sheds	4.13	-	8.24	12.37	287.12
Plant and machinery	1,305.70	-	3,982.51	5,288.21	30.57
Furniture and fixtures	1.18	-	2.53	3.71	98,624.27
Office Equipment	0.43	-	1.19	1.62	11.08
Computers	11.18	-	72.43	83.61	3.05
Vehicle	0.01	-	0.32	0.33	181.90
Total	1,524.09	-	4,472.38	5,996.47	1,14,853.53
Capital work-in progress	-	-	-	-	961.88

	Accumulated depreciation			Net block	
	As at 1 April 2022	Acquisition through Business Combination Refer Note 33	For the year Deductions	As at 31 March 2023	As at 31 March 2022
Owned assets					
Land	-	-	-	-	-
Building-Factory	-	-	196.60	196.60	4,673.12
Building-Others	-	-	4.86	4.86	11,050.91
Temporary sheds	-	-	4.13	4.13	287.12
Plant and machinery	-	-	1,305.70	1,305.70	30.57
Furniture and fixtures	-	-	1.18	1.18	98,624.27
Office Equipment	-	-	0.43	0.43	11.08
Computers	-	-	11.18	11.18	3.05
Vehicle	-	-	0.01	0.01	181.90
Total	-	-	1,524.09	1,524.09	1,14,853.53
Capital work-in progress	-	-	-	-	961.88



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

6 Other Intangible assets and Goodwill

	Gross block			
	As at 1 April 2023	Acquisition through Business Combination	Additions	Deductions
Customer relationship	11,059.22	-	-	-
Total	11,059.22	-	-	-
Goodwill	4,786.18	-	-	-

	Gross block			
	As at 1 April 2022	Acquisition through Business Combination Refer Note 33	Additions	Deductions
Customer relationship	-	11,059.22	-	-
Total	-	11,059.22	-	-
Goodwill	-	4,786.18	-	-

Notes:

Impairment testing of goodwill with indefinite lives

Goodwill arising on acquisition of distillery business has been allocated to a separate single cash generating unit (CGU) i.e. TruAlt Bioenergy Limited. The Company has performed an annual impairment test to ascertain the recoverable amount of such goodwill. The recoverable amount is determined based on value in use calculation. The calculations performed indicate that there is no impairment of CGU of the company as value in use is higher than the carrying amount of goodwill. These calculations use management assumptions and pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. The value-in-use calculation for the year used pre tax discounting rate of 20.50% and terminal year growth rate of 4%.

	Accumulated amortisation				Net block	
	As at 1 April 2023	Acquisition through Business Combination	For the year	Deductions	As at 31 March 2024	As at 31 March 2023
Customer relationship	550.99	-	1,105.92	-	9,402.31	10,508.23
Total	550.99	-	1,105.92	-	9,402.31	10,508.23
Goodwill	-	-	-	-	4,786.18	4,786.18

	Accumulated amortisation				Net block	
	As at 1 April 2022	Acquisition through Business Combination Refer Note 33	For the year	Deductions	As at 31 March 2023	As at 31 March 2022
Customer relationship	-	-	550.99	-	10,508.23	-
Total	-	-	550.99	-	10,508.23	-
Goodwill	-	-	-	-	4,786.18	-



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

7 Investments

Investment in subsidiary (Refer note 33)
Unquoted equity shares
Leafiniti Bioenergy Private Limited - 1,40,96,000 (31 March 2023: Nil) Equity Shares of
Rs.10/- each fully paid up

Non-current	
31 March 2024	31 March 2023
1,691.52	-
1,691.52	-

Investment carried at fair value through profit and loss

Unquoted mutual funds
32,27,050.50 (31 March 2023: Nil) units in SBI Arbitrage Opportunities Fund growth plan
Carrying amount of unquoted mutual funds - INR 999.95 lakhs

Current	
31 March 2024	31 March 2023
1,000.02	-
1,000.02	-

8 Other non-current assets

Capital advance
Prepaid expenses

31 March 2024	31 March 2023
13,169.81	7,647.51
55.42	420.28
13,225.23	8,067.79

9 Inventories

(Value at lower of cost and net realisable value unless otherwise stated)

Raw material
Raw material in transit
Finished goods
Finished goods in transit*
Store and spares parts including packing material

31 March 2024	31 March 2023
5,333.48	6,026.36
40.02	-
7,575.05	8,271.14
1,221.66	-
1,381.17	1,051.00
15,551.38	15,348.50

* As at March 31, 2024 the goods are in transit to customers and the same has been delivered subsequent to the year end. As per the terms of Letter of Intent, revenue is recognised upon satisfaction of the performance obligations which occurs typically upon delivery, for Oil Marketing Companies (OMC). Therefore, the corresponding revenue is not recognised for the year ended March 31, 2024

10 Trade receivable

Unsecured
- Considered good
Less: Loss allowance

31 March 2024	31 March 2023
29,692.79	8,660.50
-	(6.26)
29,692.79	8,654.24

Ageing of Trade Receivables*

31 March 2024		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables - considered good	-	28,731.50	927.54	17.04	16.71	-	-	29,692.79
	-	28,731.50	927.54	17.04	16.71	-	-	29,692.79

31 March 2023		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables - considered good	-	6,407.78	1,978.45	222.45	51.82	-	-	8,660.50
Less: Loss allowance	-	-	-	-	(6.26)	-	-	(6.26)
	-	6,407.78	1,978.45	222.45	45.56	-	-	8,654.24

*Trade receivables balance includes retention money.

11 Cash and cash equivalents

Balances with banks:
On current accounts

31 March 2024	31 March 2023
1,738.09	477.91
1,738.09	477.91

12 Other financial assets (valued at amortised cost)

Receivable from related parties [Refer Note 36 (C)]
Receivable from third parties
Security deposit
Others

31 March 2024	31 March 2023
-	3,571.27
544.81	13,364.59
5.30	-
0.48	-
550.59	16,935.86

13 Government grant

Interest subvention receivable (refer note-25)

31 March 2024	31 March 2023
4,999.32	-
4,999.32	-

14 Other current assets

Balance with government authorities
Advance to third parties
Prepaid expenses
Others

31 March 2024	31 March 2023
9,045.13	4,589.26
555.13	241.51
419.80	163.04
274.80	-
10,294.86	4,993.81



15 Share capital

(A) Equity shares

	31 March 2024	31 March 2023
Authorised share capital		
10,00,00,000 (31 March 2023: 7,00,00,000) Equity Shares of INR 10 each	10,000.00	7,000.00
Issued, subscribed and paid up		
6,10,75,820 (31 March 2023: 6,10,75,820) Equity shares of INR 10 each fully paid	6,107.58	6,107.58
	6,107.58	6,107.58

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	6,10,75,820	6,107.58	61,000,000	6,10
Add: Issued during the year	-	-	6,10,14,820.00	6,101.48
Outstanding at the end of the year	6,10,75,820	6,107.58	6,10,75,820.00	6,107.58

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of INR 10/- per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends which if declared is payable in Indian Rupees.

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.

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

	31 March 2024		31 March 2023	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid				
Vijaykumar Murugesh Nirani	1,30,36,841	21.35%	89,21,437	14.61%
Vishal Nirani	1,30,25,071	21.33%	89,13,363	14.59%
Sushmitha Vijaykumar Nirani	1,22,74,868	20.10%	84,00,000	13.75%
Kamala Mungeppa Nirani	42,52,040	6.96%	1,63,54,000	26.78%
Sangamesh Rudrappa Nirani	90,10,000	14.75%	90,10,000	14.75%
Dhruksayani S Nirani	84,10,000	13.77%	84,10,000	13.77%

As per the gift deed executed on July 24, 2023, Kamala Mungeppa Nirani gifted 41,15,404 shares to Vijaykumar Murugesh Nirani, 41,11,688 shares to Vishal Nirani and 38,74,868 shares to Sushmitha Vijaykumar Nirani. The Company's records, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, confirm the above shareholding represents both legal and beneficial ownerships of shares.

(iv) Details of Shares held by Promoters at the end of the year	31 March 2024			31 March 2023		
Name of the Promoter	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Vijaykumar Murugesh Nirani	1,30,36,841	21.35%	6.74 %	89,21,437	14.61%	(1.79%)
Vishal Nirani	1,30,25,071	21.33%	6.73 %	89,13,363	14.59%	(1.80%)
Sushmitha Vijaykumar Nirani	1,22,74,868	20.10%	6.34 %	84,00,000	13.75%	13.75%
	3,83,36,780	62.78%		2,62,34,820	42.95%	

(v) Shares reserved for issue under options

For details of shares reserved for issue on conversion of Compulsorily Convertible Preference Shares, please refer note 15B below related to terms of conversion/redemption of preference shares.

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the end of current year.

(vii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the end of current year.

(viii) Right issue of shares

The Board of Directors approved a resolution on 30th June, 2022 for allotment of a rights issue of equity shares and allotted 6,00,00,000 equity shares at par on a rights basis. The Company utilized the proceeds amounting to INR 6,000.00 lakhs from the right issue against general corporate purpose. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.

The Board of Directors approved a resolution on 12th September, 2022, for allotment a rights issue of equity shares and allotted 10,14,820 equity shares at par on a rights basis. The Company utilized the proceeds amounting to INR 101.48 lakhs from the right issue against existing unsecured loans received. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.



(B) Compulsorily Convertible Preference Shares

	31 March 2024	31 March 2023
Authorised share capital		
4,70,00,000 (31 March 2023: 4,70,00,000) Preference Shares of INR 100 each	47,000.00	47,000.00
	<u>47,000.00</u>	<u>47,000.00</u>
Issued, subscribed and paid up		
4,69,19,000 (31 March 2023: 4,69,19,000) Compulsory Convertible Preference Shares (CCPS) of INR 100 each	46,919.00	46,919.00
	<u>46,919.00</u>	<u>46,919.00</u>

(i) Reconciliation of preference shares outstanding at the beginning and at the end of the year

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	4,69,19,000	46,919.00	-	-
Add: Issued during the year	-	-	4,69,19,000	46,919.00
Outstanding at the end of the year	<u>4,69,19,000</u>	<u>46,919.00</u>	<u>4,69,19,000.00</u>	<u>46,919.00</u>

(ii) Details of preference shares held by shareholders holding more than 5% of the aggregate preference shares in the Company

	31 March 2024		31 March 2023	
Name of the shareholders	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Nirani Sugars Limited *	1,15,94,000	24.71%	1,40,94,000	30.04%
Shri Sai Priya Sugars Limited*	2,25,25,000	48.01%	2,25,25,000	48.01%
MRN Cane Power India Limited*	1,03,00,000	21.95%	1,03,00,000	21.95%

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on January 10, 2024 these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company. MRN Chamundi Canepower and Biorefineries Limited. On July 15, 2024 the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.

(iii) Terms of CCPS

The Company has issued Compulsorily Convertible Preference Shares (CCPS) amounting to INR 46,919.00 lakhs at per value of INR 100 per CCPS in October 2022 as part of purchase consideration for the acquisition of the distillery business. The CCPS are compulsorily convertible into equity shares at the end of 5 years from the date of allotment. The number of equity shares to be issued would be determined based on the Fair Market Value (FMV) as per the valuation done by IBBI Registered Valuer as on that date and therefore the conversion ratio is not fixed. The CCPS also carry a discretionary and cumulative dividend of 1.25% p.a. The dividend when declared and approved will be recognised as distribution, resulting in charge to distributable reserves. The CCPS shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions and shall not have any voting rights.

The CCPS have been accounted for as a compound financial instrument rather than an equity instrument given that the conversion ratio is not fixed. The financial liability component represents the net present value of the total proceeds from CCPS discounted using the incremental borrowing rate of the Company and balance has been recognised as equity. The details of equity and financial liability component at the year end are set out below

	31 March 2024	31 March 2023
Equity component of CCPS (Refer note 16)	14,690.38	14,690.38
Liability component of CCPS (Refer note 20 & 17)	31,813.25	28,680.40
	<u>46,503.63</u>	<u>43,370.78</u>

Notes:

The Company has approved conversion of CCPS into equity shares after reporting year ended March 31, 2024 (Refer note 56).

16 Other equity

	31 March 2024	31 March 2023
Retained earnings	6,118.38	3,251.51
Equity component of Compound Financial Instruments [Refer note 15 (B)(iii)]	14,690.38	14,690.38
	<u>20,808.76</u>	<u>17,941.89</u>

Retained earnings

	31 March 2024	31 March 2023
Opening balance	3,251.51	(1.23)
Add: Profit for the year	3,461.13	3,545.99
Add/(less): Re-measurement (loss)/ gain on defined benefit plans (net of income tax)	(7.77)	-
Less: Dividend on Compulsorily Convertible Preference Shares	(586.49)	(293.25)
Closing balance	<u>6,118.38</u>	<u>3,251.51</u>

Retained earnings are profits/(losses) earned /incurred till date.



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

	31 March 2024	31 March 2023
17 Non-current borrowings (carried at amortised cost)		
Secured		
Term loan		
From Bank and financial institution		
State Bank of India	23,196.28	-
Indian Renewable Energy Development Authority (IREDA)	85,235.43	60,507.80
Union Bank of India	-	25,821.73
Bank of India	23.85	-
	1,08,455.56	86,329.53
Less: Current maturities of State Bank of India (Refer note 20)	3,596.00	-
Less: Current maturities of Indian Renewable Energy Development Authority (IREDA) (Refer note 20)	9,417.33	5,602.00
Less: Current maturities of Union Bank of India (Refer note 20)	-	2,374.64
Less: Current maturities of Bank of India (Refer note 20)	7.50	-
	13,020.83	7,976.64
Unsecured		
Compulsorily Convertible Preference Shares [Refer note 15 (B)]	-	28,680.40
	95,434.73	1,07,033.29

A. Terms of repayment

- (i) During the financial year 2022-23, the Company has obtained a consortium Term loan 1 Indian Renewable Energy Development Agency (IREDA) and Union Bank of India (UBI) amounting to INR 88,400 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 87,306.00 lakhs is scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from 27 March 2023. As per the loan agreement, the said loan was taken for the purpose of acquisition of 1400 KLPD ethanol distilleries located at 3 different locations in Karnataka (Refer note 33).
- (ii) The Company has obtained a consortium Term loan 2 from Indian Renewable Energy Development Agency (IREDA) and Union Bank of India (UBI) during the period ended March 31, 2024, amounting to INR 45,000.00 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 30,520.00 lakhs is scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from July 31, 2023. As per the loan agreement, the said loan was taken for the purpose of expansion of ethanol distilleries by 600 KLPD located at 3 different locations in Karnataka.
- (iii) On January 6, 2024, the Company has modified the consortium agreement for Term loan 1 sanctioned in financial year 2022-23 where UBI was replaced by State Bank of India (SBI) as the party to consortium. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a. to 6 Month SBI MCLR plus 1.55%.
- (iv) On January 23, 2024, the consortium agreement for Term loan 2 sanctioned was modified where the entire term loan is taken over by IREDA and UBI is no longer a party to the consortium agreement. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a. to 11.30% plus 0.5% till commissioning. The repayment of principal amount is scheduled to commence from March 31, 2025 instead of March 31, 2024. However, the current weighted average coming out to be 10.82% p.a. till commissioning for Term loan 2 sanctioned by IREDA.
- (v) The vehicle loan amounting to INR 24.45 Lakhs was sanctioned by Bank of India which carries an interest rate of 8.85% p.a. and is scheduled for repayment in 36 monthly instalments, with monthly interest payments commencing from March 30, 2024.

The Company has used such borrowings for the purposes as stated in the loan agreement.

B. Repayment schedule for secured loan

	SBI	IREDA	Bank of India
Number of instalments due (Nos)	24	28	35
Average Rate of Interest (%)	10.10%	10.82%	8.85%
Within one year	3,596.00	9,417.33	7.50
After one year but not more than 5 years	16,184.00	55,094.67	16.35
More than 5 years	3,416.28	20,723.43	-
	23,196.28	85,235.43	23.85

Term loans contain certain debt covenants relating to limitation on indebtedness, fixed asset coverage ratio, and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Company meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Company has satisfied all other debt covenants prescribed in the terms of loan. The Company has not defaulted on any loans payable.

	31 March 2024	31 March 2023
18 Other financial liabilities (carried at amortised cost)		
Refundable Deposits	0.40	2.15
Payable towards purchase consideration to related parties [Refer note 36 (C)]	-	1,118.25
	0.40	1,120.40

19 Provisions

	Non Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provision for gratuity (unfunded) [Refer note 35 (B)]	104.81	58.10	6.80	4.07
Provision for leave encashment	86.38	6.52	7.67	0.59
	191.19	64.62	14.47	4.66



TruAlt Bioenergy Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

20 Current borrowings (carried at amortised cost)

Secured

Current maturities of long-term borrowings (Refer note 17)

Working capital loan

Unsecured

Compulsorily Convertible Preference Shares (Refer note 15 (B))

31 March 2024	31 March 2023
13,020.83	7,976.64
25,455.37	-
31,813.25	-
70,289.45	7,976.64

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the year presented:

Particulars	Amount
Net debt as at April 1, 2022	-
Proceeds from loans (net of transaction cost)	86,352.89
Repayment of loans	(23.36)
CCPS including interest on liability component of CCPS	28,680.40
Net debt as at March 31, 2023 excluding accrued interest recognised as other financial liabilities in note 22	1,15,009.93
Proceeds from Term loans (net of transaction cost)	29,912.49
Net increase/decrease in working capital loan	25,455.37
Interest on borrowings and other charges	189.60
Repayment of loans	(7,976.06)
Interest on liability component of CCPS	3,132.86
Net debt as at March 31, 2024 excluding accrued interest recognised as other financial liabilities in note 22	1,65,724.19

Cash and non cash adjustments in Net debt

As at 31 March, 2024

Particulars	Cash adjustments	Non cash adjustments	Total
Proceeds from loans (net of transaction cost)	30,544.45	(631.96)	29,912.49
Net increase/decrease in working capital loan	25,455.37	-	25,455.37
Interest on borrowings	-	189.60	189.60
Repayment of loans	(7,976.06)	-	(7,976.06)
Interest on liability component of CCPS	-	3,132.86	3,132.86

As at 31 March 2023

Particulars	Cash adjustments	Non cash adjustments	Total
Proceeds from loans (net of transaction cost)	86,352.89	-	86,352.89
Interest on borrowings	-	-	-
Repayment of loans	(23.36)	-	(23.36)
CCPS including interest on liability component of CCPS	-	28,680.40	28,680.40

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 51.



21 Trade payables (carried at amortised cost)

Current	
31 March 2024	31 March 2023
23.30	138.46
13,741.76	30,733.94
13,765.06	30,872.40

Total outstanding dues of micro enterprises and small enterprises
Total outstanding dues of creditors other than micro enterprises and small enterprises

* INR 9,764.10 lakhs (31 March 2023: 22,396.48 lakhs) of the trade payable balance is payable to related parties [Refer note 36 (C)].

Trade payables are non-interest bearing and are normally settled within the credit period agreed with the supplier.

Disclosure relating to suppliers registered under MSME Act based on the information available with the Company

Particulars	31 March 2024	31 March 2023
(a) Amount remaining unpaid to any supplier at the end of each year.		
Principal	23.30	138.46
Interest	-	-
Total	23.30	138.46
(b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act, along with the amount of the payment made to the supplier beyond the appointed day during each year.	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSME Act, along with the amount of the payment made to the supplier beyond the appointed day during each year.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act.	-	-

Trade Payables ageing schedule

31 March 2024		Current				
Particulars		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		23.30	-	-	-	23.30
(ii) Disputed dues - MSME		-	-	-	-	-
(iii) Others		12,471.95	1,263.56	2.01	4.24	13,741.76
(iv) Disputed dues - Others		-	-	-	-	-
		12,495.25	1,263.56	2.01	4.24	13,765.06

31 March 2023		Current				
Particulars		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		134.12	2.34	2.00	-	138.46
(ii) Disputed dues - MSME		-	-	-	-	-
(iii) Others		29,329.95	1,358.89	3.98	41.12	30,733.94
(iv) Disputed dues - Others		-	-	-	-	-
		29,464.07	1,361.23	5.98	41.12	30,872.40

22 Other financial liabilities (carried at amortised cost)

Interest payable
Due to related parties [Refer note 36 (C)]
Creditors for capital goods
Others

31 March 2024	31 March 2023
206.61	118.86
9,405.05	4,722.79
7,255.24	-
2,355.86	346.45
19,222.76	5,188.10

23 Other current liabilities

Statutory dues payable

31 March 2024	31 March 2023
139.04	211.49
139.04	211.49



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

24 Revenue from operations	31 March 2024	31 March 2023
Sale of goods	1,17,848.97	74,493.19
Sale of traded goods	3,858.99	1,744.84
	1,21,707.96	76,238.03

A. Disaggregation of revenue from contracts with customers

- (i) Revenue is attributable to sale of ethanol, power and allied products and it is recognised upon satisfaction of the performance obligations which is typically upon delivery, for Oil Marketing Companies (OMC) and Ex- Works, for companies other than OMCs (i.e., point in time). The Company's primary customers for ethanol sales are public sector Oil Marketing Companies (OMC) in India.

As of March 31, 2024, there are no unsatisfied performance obligations or contractual liabilities.

- (ii) Certain customers arrangements consist of bill-and-hold characteristics under which transfer of control has been met (including the passing of title and significant risk and reward of ownership to the customers). Therefore, the customers can direct the use of the bill-and-hold inventory while the Company still retains physical possession of the product until it is shipped to a customer at a point in time in the future.

Under "Bill and hold" arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract. Normally no obligation towards custodial service exists.

- (iii) Revenues from customers: 4 Customers (31 March 2023: 3 Customers) represented more than 10% or more of the Company's revenues amounting to INR 94,395.60 lakhs (31 March 2023: 69,988.51 lakhs).

25 Other income	31 March 2024	31 March 2023
Interest subvention income*	4,999.32	-
Forex gain / (loss)	7.71	-
Net gain/(loss) on fair value changes of mutual funds	0.07	-
Miscellaneous income	627.87	-
	5,634.97	-

*As at March 31, 2023, the Seller companies have submitted claim for government grants related to interest subvention, with the respective amount being recoverable from related parties. The interest subvention income post BTA has been adjusted against the interest on borrowings. For the period April 2023 to March 2024, the Company has been sanctioned government grants related to interest subvention, and the respective amount has been recorded under Other income as "Interest subvention income".

The Company is eligible to claim interest subvention from the Department of Food & Public Distribution (DFPD) for the year ended March 31, 2024, as confirmed by the National Bank for Agriculture and Rural Development (NABARD). However, the Company has not yet submitted a claim for Term Loan 1 for the current year, as it is awaiting NABARD's approval to claim interest subvention for the five-year period starting April 1, 2023. Additionally, the Company is waiting for NABARD to create a new account in the Company's name on the NABARD portal to facilitate the monitoring of these new interest subvention claims.

26 Cost of material consumed	31 March 2024	31 March 2023
Inventory at the beginning of the year (Refer note 9)	6,026.36	-
Add: Purchases	76,163.93	62,759.49
Less: Inventory at the end of the year (Refer note 9)	5,333.48	6,026.36
	76,856.81	56,733.13



TruAlt Bioenergy Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

27 Changes in inventories of finished goods

	31 March 2024	31 March 2023
Inventories at the beginning of the year		
- Finished goods (Refer note 9)	8,271.14	-
	8,271.14	-
Less: Inventories at the end of the year		
- Finished goods (Refer note 9)	8,796.71	8,271.14
	8,796.71	8,271.14
Net decrease/ (increase)	(525.57)	(8,271.14)

28 Employee benefits expense

	31 March 2024	31 March 2023
Salaries, wages, bonus and other allowances	2,112.19	803.31
Contribution to Provident Fund and ESI	109.40	33.52
Gratuity expenses (Refer note 35)	39.06	12.01
Leave encashment	87.12	7.10
Staff welfare expenses	10.32	3.47
	2,358.09	859.41

29 Finance costs

	31 March 2024	31 March 2023
Interest on borrowing	10,279.74	2,061.68
Interest on liability component of CCPS	3,132.86	1,395.24
Bank charges	688.42	74.14
	14,101.02	3,531.06

Note:

The Company has approved conversion of CCPS into equity shares after reporting year March 31, 2024 (Refer note 56).

30 Depreciation and amortization expense

	31 March 2024	31 March 2023
Depreciation on property, plant and equipment (Refer note 5)	4,472.38	1,524.09
Amortization on intangible asset (Refer note 6)	1,105.92	550.99
	5,578.30	2,075.08



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

31 Other expenses

	31 March 2024	31 March 2023
Consumption of stores & spares and consumables	2,344.58	1,590.51
Manufacturing expenses	3,666.12	1,831.78
Power and fuel	8,580.65	6,039.51
Service fee [Refer note 36 B]	141.21	1,152.08
Selling and distribution expenses	3,670.72	2,859.67
Repairs and maintenance - Plant and Machinery	225.80	103.71
Repairs and maintenance - others	132.28	65.32
Legal and professional charges*	569.79	234.36
Business promotion expenses	23.10	335.49
Rates and taxes	509.89	393.40
Insurance expenses	212.60	15.23
Security charges	105.42	32.64
Travel and conveyance	132.46	25.40
Miscellaneous expenses**	87.20	54.83
	20,401.82	14,733.93

*Note : Following is the break-up of Auditors remuneration (exclusive of GST)

As auditor:

Statutory audit

In other capacity:

Tax audit

Other matters

Reimbursement of expenses

	31 March 2024	31 March 2023
Statutory audit	75.43	25.00
Tax audit	10.00	10.00
Other matters	-	-
Reimbursement of expenses	1.35	-
	86.78	35.00

**Note : This amount includes Corporate Social Responsibility (CSR) expenditure

	31 March 2024	31 March 2023
Corporate Social Responsibility (CSR) expenditure	49.00	NA
Amount required to be spent by the Company during the year	49.00	NA
Amount of expenditure incurred on:		
(i) Construction/acquisition of any assets	-	NA
(ii) On purposes other than (i) above	49.00	NA
Shortfall at the end of the year	-	NA
Total of previous year shortfall	NA	NA
Reason for shortfall	NA	NA

CSR activities include initiatives in education, skill development, healthcare, and environmental sustainability, through contributions to the MRN Foundation.



TruAlt Bioenergy Limited
Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

32 Income Tax and Deferred Tax
(A) Deferred Tax Liabilities (Net)
Deferred tax assets

On provision for employee benefits

On unabsorbed depreciation and carry forward business losses

Unabsorbed depreciation

On others

Total Deferred tax asset
31 March 2024
31 March 2023

39.18

4.81

1,431.89

1,074.21

12.79

6.68

1,483.86
1,085.70
Deferred tax liabilities

On customer relationship recognised as part of business combination [Refer Note No 33]

On property, plant & equipment and intangible assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting

On compulsorily convertible preference shares [Refer note 15 (B)]

On others

Total Deferred tax liabilities
Deferred tax asset/(liability), net

(2,783.38)

(2,783.38)

(4,992.18)

(2,550.51)

(3,801.22)

(4,589.95)

(250.66)

(238.72)

(11,827.44)
10,162.56
(10,343.58)
(9,076.86)
(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Opening balance as of 1 April

Tax liability recognized in Statement of Profit and Loss

Tax liability recognized in OCI

On re-measurements gain/(losses) of post-employment benefit obligations

Tax liability recognized directly in equity

On compulsorily convertible preference shares

Others

Closing balance as at 31 March, 2024

31 March 2024
31 March 2023

(9,076.86)

-

(1,269.33)

(1,352.52)

2.61

-

-

(4,941.10)

-

(2,783.24)

(10,343.58)
(9,076.86)

- (i) On the acquisition date, deferred tax liability of INR 2,783.38 lakhs on customer relationship has been recognised with a corresponding increase in goodwill in the financial year 2022-23. Subsequent amortisation of the customer relationship so recognised for the financial reporting purposes has resulted in reversal of the deferred tax liability amounting to INR 138.67 lakhs which has been recognised through statement of profit and loss of financial year 2022-23.

(C) Income tax expense
i. Income tax expense in the statement of profit and loss comprises :

- Current tax taxes

- Deferred tax charge / (income)

Income tax expense in the statement of profit and loss
ii. Other Comprehensive Income

- Re-measurement (loss)/ gain on defined benefit plans

Income tax related to Items recognised in OCI during the year
31 March 2024
31 March 2023

-

-

1,269.33

1,352.52

1,269.33
1,352.52

(2.61)

-

(2.61)
-
(D) Reconciliation of tax charge

Accounting profit before tax

Applicable tax rate

Income tax expense at tax rates applicable

Tax effects of:

- Expenses of capital nature disallowed

- Other disallowed expenses

Income tax charged to statement of profit and loss
31 March 2024
31 March 2023

4,730.46

4,898.51

25.17%

25.17%

1,190.56

1,232.86

24.65

70.13

54.12

49.53

1,269.33
1,362.62

The tax rate used for 31 March 2024 is 25.17% (31 March 2023: 25.17%), consequent to adopting the option under section 115BAA of the Income Tax Act, 1961.

The calculation of the Company's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with tax authorities. Whilst the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of agreements with the relevant tax authorities, or litigation where appropriate, the Company continues to consider that it has made appropriate provision for periods which are open and not yet agreed by the tax authorities. Each year management completes a detailed review of uncertain tax positions across the Company and makes provisions based on the probability of the liability arising.



TruAlt Bioenergy Limited**Notes to the standalone financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees Lakhs, unless otherwise stated)

33 Business combinations**Leafiniti Bioenergy Private Limited**

The Board of Directors of the Company at its meeting held on September 18, 2023 has approved the purchase of 72,19,494 equity shares of Leafiniti Bioenergy Private Limited, ('LBPL') from its shareholders. On October 4, 2023, the Company has invested INR 866.34 lakhs constituting 51.22% of the paid-up share capital of LBPL, resulting to gain of control as per Ind AS 103 - Business combinations, thereby making LBPL a subsidiary of the Company. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	4,867.76
Intangible assets (customer relationship)	481.26
Capital advances	519.25
Net working capital	(1,450.23)
Debt and debt like items	(3,203.00)
Deferred tax	118.11
Total Fair value of Net Assets	1,333.15
Non Controlling interest	650.30
Total Fair value of Net Assets acquired (A)	682.85
Less: Cash consideration transferred (B)	866.34
Goodwill / (Capital Reserve) (excluding deferred tax liability) (B)-(A)	183.49
Deferred tax attributable to the Company	97.17
Deferred tax attributable to Non-controlling interest	92.54
Goodwill / (Capital Reserve)	373.20

In a subsequent meeting on November 6, 2023, the Board approved an additional investment of INR 63.94 lakhs for purchase of 5,32,829 equity shares constituting 3.78% of shareholding in LBPL, which was executed on December 27, 2023.

Furthermore, the Company has invested INR 761.24 lakhs on February 24, 2024, to acquire the remaining 45% of LBPL's paid-up share capital, thereby making LBPL a wholly-owned subsidiary.

Acquisition of distillery business

The Company acquired the distillery business from Shri Sai Priya Sugars Limited (SSPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India Limited (MRNCPI) (collectively referred to as Sellers) through a Business Transfer Agreement (BTA) effective 1 October 2022. The distillery business represents manufacturing and sale of ethanol which is the principal business activity of the Company. The acquisition has been accounted for in accordance with the principles of acquisition method as set out in Ind AS 103 - Business combinations. Transaction cost directly attributable with the acquisition has been expensed through the standalone statement of profit and loss. The consideration has been settled partly through cash and issuance of CCPS. A portion of consideration payable in cash was expected to be settled within a year from the acquisition date. However, the same has been settled after one year but within three months from the end of the current period. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	62,798.59
Capital Work in Progress (CWIP)	26,401.34
Intangible assets (customer relationship)	11,059.22
Capital advances	36,581.70
Net working capital	(3,518.48)
Total Fair value of Net Assets acquired (A)	1,33,322.37
Less: Consideration transferred	
Cash paid (Reflected in cash flow under Investing activities)	87,303.84
Cash consideration to be paid [Refer note 36 (C)]	1,102.33
CCPS [Refer note 15 (B) for details]	46,919.00
Total consideration paid (B)	1,35,325.17
Goodwill / (Capital Reserve) (excluding deferred tax liability) (B)-(A)	2,002.80
Deferred tax liability (Refer note 32)	2,783.36
Goodwill / (Capital Reserve)	4,786.16

Notes :

- Pursuant to the acquisition, the Company also executed a Transition Services Agreement (TSA) with the sellers whereby the sellers continued to facilitate the sale of ethanol to the customers on behalf of the Company alongside providing other relevant services to facilitate the business. The Sellers were paid a fixed service fee per litre of ethanol produced and sold aggregating to INR 141.21 lakhs (31 March 2023: 1,152.08 lakhs) which has been disclosed as part of the "other expenses" in note 31.
- On October 1, 2022, the Company under the Business Transfer Agreement (BTA) acquired the distillery business of three of its group companies, viz, Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited (collectively referred to as 'Sellers') under Slump Sale Agreements entered into separately with the said companies for an aggregate consideration of INR 1,35,325.00 lakhs.
- The said consideration was to be settled partly by issue of Compulsorily Convertible Preference Shares of INR 100/- each for an aggregate amount of INR 46,919.00 lakhs, and the balance consideration was to be settled by actual payment.
- Since getting the transfer of the manufacturing (M2) license effected from each of the Sellers in the name of the Company, was going to be a time consuming process, in order to ensure an uninterrupted supply of ethanol to the Oil Companies the Sellers entered into a Transition Services Agreement (TSA) under which it was agreed by and between the Company and the Sellers that they would continue to manufacture ethanol under their respective licenses, however that they would be acting as agents on behalf of the Company under an principal -agent relationship. The manufacturing licenses of the Sellers were eventually transferred in the name of the Company on April 24, 2023.
- Consequently, during the period from October 1, 2022, to March 18, 2023, the Sellers continued to bill the Oil Companies in their own name under their respective GST registrations and also continued to make purchases from the Vendors in their own name.



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Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

33 Business combinations (Contd.)

On March 19, 2023, the Sellers, with the concurrence of the Oil Companies, suspended the sale of ethanol to them, so as to enable the Oil Companies to onboard the Company as a supplier in place of the Sellers. The supplies were resumed by the Company in its own name after it obtained the M2 licenses for all the three distilleries on April 24, 2023.

The Company has, by virtue of the BTA and the TSA entered into with the Sellers, recognized the sale of Ethanol effected by the Sellers to the Oil Companies, during the period from October 1, 2022, to April 24, 2023, as its own revenue since the TSA has created a principal – agent relationship between the Company and the Sellers. Similarly, it has recognized all expenses incurred by the Sellers on the distillery business as its own. This is in accordance with the requirements of Ind AS 115 – Revenue from contracts with customers.

34 Earnings per share

Basic earnings per share 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 earnings per share amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the compulsorily 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	3,461.13	3,545.99
Less: Dividend on Compulsorily Convertible Preference Shares (Refer note 15)	(586.49)	(293.25)
Profit attributable to equity holders	2,874.64	3,252.74
Add: Interest on Compulsorily Convertible Preference Shares (Refer note 29)	3,132.86	1,395.24
Add: Dividend on Compulsorily Convertible Preference Shares (Refer note 15)	586.49	293.25
Profit attributable to equity holders adjusted for the effect of dilution	6,593.99	4,941.23
Weighted average number of equity shares for basic EPS	6,10,75,820	4,58,25,326
Weighted average number of equity shares for diluted EPS*	10,79,94,820	6,92,20,553
Basic earnings per share (INR)	4.71	7.10
Diluted earnings per share (INR) **	4.71	7.10

*The weighted average number of equity shares and potential equity shares for diluted EPS have been computed considering the CCPS issued pursuant to the acquisition of the distillery business as set out in note 33.

**Earning per share is anti-dilutive hence both Basic and Diluted earnings per share are equal for current and previous year.

35 Employee benefits
(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss

	31 March 2024	31 March 2023
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 28)	109.40	33.52

(B) Defined benefit plans
Gratuity Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is unfunded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

i) Actuarial assumptions

	31 March 2024	31 March 2023
Discount rate (per annum)	7.15%	7.45%
Rate of increase in Salary	7.50%	7.50%
Expected average remaining working lives of employees (years)	28	28
Attrition rate	7.50%	7.50%

ii) Changes in the present value of defined benefit obligation

	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	62.17	-
Current service cost	34.42	15.41
Benefits paid	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.64	-
Actuarial (gain)/ loss on obligations	10.38	-
Past Service cost	-	46.76
Present value of obligation at the end of the year*	111.61	62.17

*Included in provision for employee benefits (Refer note 19)



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iii)	Expense recognized in the Statement of Profit and Loss	31 March 2024	31 March 2023
	Current service cost	34.42	9.41
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.64	-
	Past Service cost	-	2.60
	Total expenses recognized in the Statement Profit and Loss	39.06	12.01
iv)	Expense recognized in the Other Comprehensive Income for current year	31 March 2024	31 March 2023
	Actuarial (gain)/loss on obligation for the year	10.38	-
	Return on plan assets, excluding Interest Income	-	-
	Change in asset ceiling	-	-
	Net (Income)/Expense for the year recognized in OCI	10.38	-
v)	Assets and liabilities recognized in the Balance Sheet:	31 March 2024	31 March 2023
	Present value of unfunded obligation as at the end of the year	111.61	62.17
	Unrecognized actuarial (gains)/losses	-	-
	Unfunded net asset / (liability) recognized in Balance Sheet*	(111.61)	(62.17)
	*Included in provision for employee benefits (Refer note 19)		
vi)	A quantitative sensitivity analysis for significant assumption is as shown below:		
	Impact on defined benefit obligation	31 March 2024	31 March 2023
	Discount rate		
	1% increase	(9.50%)	(8.80%)
	1% decrease	11.30 %	10.40 %
	Rate of increase in salary		
	1% increase	11.10 %	10.20 %
	1% decrease	(9.60%)	(8.95%)
	Mortality rate		
	10% increase	0.00%	0.00%
	10% decrease	0.00%	0.00%
vii)	Maturity profile of defined benefit obligation	31 March 2024	31 March 2023
	Expected future cash flows		
	1 Year	6.80	4.07
	2-5 years	35.16	21.81
	6-10 years	50.22	30.43
	More than 10 years	194.98	98.73

36 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

(i) Subsidiaries

Leafiniti Bioenergy Private Limited

(ii) Affiliates - Companies in which Key Management Personnel (KMP) have significant influence:

Badami Sugars Limited*

Shri Sai Priya Sugars Limited*

Nirani Sugars Limited*

MRN Cane Power India Limited*

Shree Kedarnath Sugar And Agro Products Limited*

MRN Chamundi Canepower and Biorefineries Private Limited*

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on January 10, 2024, these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company, MRN Chamundi Canepower and Biorefineries Limited. On July 15, 2024, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.



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(iii) KMP

Vijaykumar Murugesh Nirani, Managing Director
 Debnath Mukhopadhyay, Chief Financial Officer with effect from May 08, 2023
 Sudheer Sannapaneni, Company Secretary with effect from July 01, 2023 till July 22, 2024
 Mohith Kumar Khandelwal, Company Secretary with effect from July 22, 2024
 Durairaj Anand Murugan Jakkampati, Director with effect from December 06, 2023
 Vishal Nirani, Director
 Sushmitha Vijaykumar Nirani, Director with effect from September 18, 2023
 Chandrasekhar Kanekal, Director with effect from September 18, 2023
 Sangamesh Rudrappa Nirani, Director effective upto September 18, 2023
 Mallikarjun Bhimappa Dyaberi with effect from December 6, 2023
 Yagati Badarinarayana Ramakrishna with effect from December 26, 2023

(B) Details of transactions with related party in the ordinary course of business for the year ended:

	31 March 2024	31 March 2023
Sale of power, steam and chemicals		
- Nirani Sugars Limited	3.72	1.01
- Shri Sai Priya Sugars Limited	17.95	61.86
- MRN Chamundi Canpower And Biorefineries Private Limited	115.02	0.00
- MRN Cane Power India Limited	695.68	440.42
Total	832.37	503.29
Purchase of raw material		
- Nirani Sugars Limited	23,229.26	13,774.58
- Badami Sugars Limited	3,621.68	3,421.02
- Shree Kedarnath Sugar & Agro Products Limited	5,838.01	1,194.44
- Shri Sai Priya Sugars Limited	21,609.13	29,511.91
- MRN Cane Power India Limited	9,054.95	10,400.56
- MRN Chamundi Canpower And Biorefineries Private Limited	20,877.48	-
Total	84,230.51	58,302.51
Purchase consideration paid in cash (Refer note 33)		
- Nirani Sugars Limited	-	40,906.00
- MRN Cane Power India Limited	-	18,716.09
- Shri Sai Priya Sugars Limited	-	27,681.75
- Vijaykumar Murugesh Nirani	845.76	-
Total	845.76	87,303.84
Issue of CCPS (Refer note 15)		
- Nirani Sugars Limited	-	14,094.00
- MRN Cane Power India Limited	-	10,300.00
- Shri Sai Priya Sugars Limited	-	22,525.00
Total	-	46,919.00
Service fees (Refer note 31)		
- Nirani Sugars Limited	63.06	309.15
- MRN Cane Power India Limited	25.67	286.68
- Shri Sai Priya Sugars Limited	52.48	556.30
Total	141.21	1,152.13
Corporate guarantee charges		
- Nirani Sugars Limited	-	6.16
Total	-	6.16
Rent expense		
- Nirani Sugars Limited	13.50	-
Total	13.50	-
Issue of shares*		
-Vijaykumar Murugesh Nirani	-	891.14
- Vishal Nirani	-	890.34
- Sushmitha Vijaykumar Nirani	-	840.00
- Sangamesh Rudrappa Nirani	-	900.00
Total	-	3,521.48

*During the year ended 31 March 2023, the Company issued equity shares through a right issue. The cash consideration was adjusted against the loan amount, including accrued interest. Refer note 15 (A) (vi).



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	31 March 2024	31 March 2023
Dividend on CCPS		
- Nirani Sugars Limited	174.81	88.09
- MRN Cane Power India Limited	128.75	64.38
- Shri Sai Priya Sugars Limited	281.56	140.78
Total	585.12	293.25
Interest income on loans and advances		
- Leafiniti Bioenergy Private Limited	2.41	-
Total	2.41	-
Remuneration paid to KMP		
- Debnath Mukhopadhyay	95.39	-
- Sannapaneni Sudheer	17.98	-
- Vijaykumar Murugesh Nirani	102.62	-
- Durairaj Anand Murugan Jakkampati	14.79	-
- Sushmitha Vijaykumar Nirani	1.50	-
- Chandrasekhar Kanekal	1.50	-
- Mallikarjun Bhimappa Dyaberi	1.50	-
- Yagati Badarinarayana Ramakrishna	1.00	-
Total	236.28	-
Land Purchase		
- Shree Kedarnath Sugar & Agro Products Limited	801.12	-
	801.12	-
(C) Amount (due to)/from related party as on:		
	31 March 2024	31 March 2023
Trade payables to related party (Refer note 21)		
- Badami Sugars Limited	-	(16.23)
- Shree Kedarnath Sugar And Agro Products Limited	-	(231.73)
- Nirani Sugars Limited	(157.06)	(12,344.70)
- MRN Cane Power India Limited	-	(1,630.42)
- Shri Sai Priya Sugars Limited	(67.32)	(8,173.40)
- MRN Chamundi Canepower And Biorefineries Private Limited	(9,539.54)	-
- Leafiniti Bioenergy Private Limited	(0.18)	-
Total	(9,764.10)	(22,396.48)
Receivable/(Payable) towards purchase consideration to related parties (Refer note 33)		
- MRN Cane Power India Limited*	-	16.09
- Shri Sai Priya Sugars Limited	-	(1,118.25)
Total	-	(1,102.16)
*INR 16.09 lakhs is also included in "Receivable from related parties".		
Balance dues from/(to) related parties for transactions undertaken on behalf of the Company (Refer note 22)*		
- Nirani Sugars Limited**	(7,615.25)	(5,034.53)
- MRN Cane Power India Limited	242.31	(446.96)
- Shri Sai Priya Sugars Limited	(1,446.99)	758.70
Total	(8,819.93)	(4,722.79)
*Partial amount pertains to transactions in relation to the distillery business from acquisition date till April 25, 2023 were undertaken by the Sellers on behalf of the Company. Such transactions mainly include sale of ethanol to OMCs and payment of salary to employees. The balance disclosed here represents the net balance due from / (to) the sellers on account of this arrangement (Refer note 22).		
**It includes rent payable of INR 4.05 lakhs (31 March, 2023 - Nil)		
Dividend payable		
- Nirani Sugars Limited	(174.81)	(88.09)
- MRN Cane Power India Limited	(128.75)	(64.38)
- Shri Sai Priya Sugars Limited	(281.56)	(140.78)
Total	(585.12)	(293.23)
Receivable from related parties (Refer note 12)		
- Nirani Sugars Limited	-	1,823.17
- MRN Cane Power India Limited	-	1,141.59
- Shri Sai Priya Sugars Limited	-	606.51
Total	-	3,571.27



	31 March 2024	31 March 2023
Intercompany loan to Subsidiary		
- Leafiniti Bioenergy Private Limited		
Opening balance	-	-
Given during the year	107.00	-
Repayment	(107.00)	-
End of the year	-	-
Payable to related parties		
- Debnath Mukhopadhyay	(17.33)	-
- Sannapaneni Sudheer	(1.89)	-
- Vijaykumar Murugesh Nirani	(27.02)	-
- Durairaj Anand Murugan Jakkampati	(1.18)	-
Total	(47.42)	-
Payable towards land purchase		
- Shree Kedarnath Sugar & Agro Products Limited	(801.12)	-
	(801.12)	-

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the end of reporting period are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37 Segment reporting

The Company is primarily engaged in the business of producing ethanol and other products derived from distillery processes. As such, the Company operates in a single segment and there are no separate reportable segments. The same is basis confirmation received from the Chief Operating Decision Maker (CODM).

38 Disclosures of financial instruments

The Company subsequently measured financial assets and liabilities at amortised cost and therefore there are no financial instruments which are subsequently measured at fair value except investment in mutual funds. The financial liabilities primarily relates to floating rate borrowings. The management has assessed that fair value of financial assets and financial liabilities except investment in mutual funds, is not significantly different from its amortised cost.

38.1 Financial assets and liabilities

The following tables presents the carrying value and fair value of each of financial assets and liabilities:

	31 March 2024	31 March 2023
(a) Financial assets measured at fair value through profit and loss		
Investment in mutual funds - Unquoted	1,000.02	-
(b) Financial assets measured at amortized cost		
Trade receivables	29,692.79	8,654.24
Cash and cash equivalents	1,738.09	477.91
Investment	1,691.52	-
Other financial assets	550.59	16,935.86
(c) Financial liabilities measured at amortized cost		
Liability component of Compulsorily convertible preference shares (Refer note 20 & 17)	31,813.25	28,680.40
Borrowings (non-current) (Refer note 17)	95,434.73	78,352.89
Current maturity of long-term borrowings (Refer note 20)	13,020.83	7,976.64
Borrowings (current) (Refer note 20)	25,455.37	-
Trade payables (Refer note 21)	13,765.06	30,872.40
Other financial liabilities (Refer note 18 and 22)	19,223.16	6,308.50



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38.2 Fair value measurements

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Financial assets/Financial liabilities	Fair Value hierarchy	Fair Value as at	
		31 March 2024	31 March 2023
Financial assets:			
Investment in mutual funds - Unquoted	Level 1	1,000.02	-

Notes:

- 1 There have been no transfers between Level 1 and Level 2 during the year.
- 2 No financial liabilities subsequently measured at fair value.

39 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax (INR)
31 March 2024		
INR	+40	(377.95)
INR	-40	377.95
31 March 2023		
INR	+40	(6.43)
INR	-40	6.43

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to the invoices of GBP 5,000 and CHF 125,000 for services availed from Specialist Insight Limited and World Economic Forum, Switzerland respectively.

The Company does not hedge the foreign currency exposure.



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Foreign currency sensitivity:

As at March 31, 2024, net unhedged exposure of the Company to foreign currency asset and liabilities is as follows:

Currency	Assets as at		Liabilities as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Great Britain Pound	-	-	5,000.00	-
Swiss Franc	-	-	1,25,000.00	-

5% increase and decrease in the foreign exchange rates will have the following impact on profit before tax:

Particulars	Sensitivity analysis assets		Sensitivity analysis liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Increase by 5%				
Great Britain Pound (GBP)	-	-	(250.00)	-
Swiss Franc	-	-	(6,250.00)	-
Decrease by 5%				
Great Britain Pound (GBP)	-	-	250.00	-
Swiss Franc	-	-	6,250.00	-

(B) Commodity price risk

The Company is exposed to commodity price risk as operates in production and selling of ethanol to customers. The ethanol prices are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

(C) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Company conduct thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. The Company's ethanol sales are primarily made to Public Oil Marketing Companies ("OMCs") thereby the credit default risk is significantly mitigated. Further, the Company keeps a close watch on the realisation of the outstanding amounts which are collected within 12 months and has not experienced any significant default.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables

Trade receivables including retention money

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit terms of 21 to 27 days. The Company follows 'simplified approach' for recognition of loss allowance on Trade receivables. An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Company does not hold collateral as security. Given that the trade receivables are from public sector OMC companies, no credit risk is observed and the payments are usually settled within one year and therefore the loss from time value of money is also not significant. Accordingly, no loss allowance is computed for the year ending March 31, 2024.

The customers retain 3% of the invoice amount which is settled at the end of the season which is typically within a year. Retention money that is not settled within a year is tested for impairment. The provision amount is determined by company-set parameters in its provisioning policy. However, no loss allowance for retention money is recognised as of March 31, 2024.

The ageing analysis of trade receivables (net of loss allowance) as of the reporting date is as follows:

	As at 31st March 2024	As at 31st March 2023
Up to 6 months	29,659.04	8,386.23
More than 6 months	33.75	268.01



(D) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows:

31 March 2024	Less than 12 months	1 to 5 years	More than 5 years	Total
Borrowings*	38,476.20	71,295.02	24,139.71	1,33,910.93
Trade payables	13,765.06	-	-	13,765.06
Other financial liabilities	19,222.76	0.40	-	19,223.16
	71,464.02	71,295.42	24,139.71	1,66,899.15
31 March 2023				
Borrowings*	7,976.64	66,000.00	12,352.89	86,329.53
Trade payables	30,872.40	-	-	30,872.40
Other financial liabilities	5,188.59	1,120.40	-	6,308.99
	44,037.63	67,120.40	12,352.89	1,23,510.92

*Borrowings is excluding CCPS - financial liability as it will be settled by issuing variable number of equity shares (Refer note 15 (B)). Borrowings have quarterly instalments payments.

40 Title deeds of Immovable Properties not held in name of the Company

The Company does not have any immovable property, whose title deeds are not held in name of the Company.

41 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

42 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

43 Registration of charges or satisfaction with Registrar of Companies

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

44 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is). :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

45 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous year.

46 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

47 Crypto Currency

The Company has not traded or invested in crypto currency or virtual currency during the period.

48 Wilful Defaulter

The Company is not declared as wilful defaulter by any Bank or Financial Institution or Other lenders.



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49 Ratios

S No.	Ratio	Formula	Particulars		March 31, 2024		31 March 2023		Ratio as on 31 March 2024	Ratio as on 31 March 2023	Variation (In %)	Reason for variance (if change in ratio by more than 25% as compared to ratio of previous period/year)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Receivable + Cash & Cash Equivalents + Other Current Assets + Income tax assets (net) + Assets held for Sale+ Other financial assets	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	64,224.18	1,03,430.78	46,410.32	44,253.29	0.62	1.05	(40.95%)	The current liabilities has increased mainly on account of increase in short term borrowings and on account of current maturities of Term Loan
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	1,08,455.55	58,729.59	86,329.53	52,730.09	1.85	1.64	12.80%	NA
(c)	Debt Service Coverage Ratio (DSCR)	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	23,140.45	18,255.80	9,152.12	2,085.04	1.27	4.39	(71.07%)	The DSCR reduced mainly on account of increase in finance cost on Term Loan and working capital facility.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Average Shareholder's Equity	Net Income= Net Profit after taxes - Preference Dividend	Average Shareholder's Equity	2,874.64	25,482.91	3,252.73	12,024.85	0.11	0.27	(58.22%)	The impact on current year versus previous year PAT is mainly attributable to increase in finance cost and depreciation.
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	76,331.24	14,213.84	48,461.99	7,148.75	5.37	6.78	(20.80%)	NA
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	1,21,707.95	19,173.52	76,238.03	4,327.12	6.35	17.62	(63.96%)	The change is mainly attributable to subsequent collection.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	75,163.93	22,318.73	62,759.12	15,436.20	3.41	4.07	(16.22%)	NA
(h)	Net Capital Turnover Ratio	Net Sales / Working Capital	Net Sales	Working Capital= Current assets - Current liabilities	1,21,707.95	(39,205.60)	76,238.03	2,162.03	(3.10)	35.27	(108.79%)	The current liabilities has increased mainly on account of increase in short term borrowings and on account of current maturities of Term Loan.
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	3,461.13	1,21,707.95	3,545.99	76,238.03	0.03	0.05	(43.12%)	The impact on current year versus previous year PAT is mainly attributable to increase in finance cost and depreciation.
(j)	Return on Average Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Average Capital Employed= (Total Equity + Non-current borrowings + Current maturities of Non current borrowings+ Current borrowings + Deferred tax liabilities)/2	18,831.48	1,75,560.18	8,429.57	74,070.56	0.11	0.11	0.00%	NA
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	3,461.13	26,916.34	3,545.99	24,049.69	0.13	0.15	(14.27%)	NA
(l)	Fixed assets coverage ratio	Net fixed assets/ Total long term debts	Net fixed assets	Total long term debts	1,22,852.23	1,08,455.56	1,14,863.53	86,329.53	1.13	1.33	(15.04%)	NA

*The Company has approved conversion of CCPS into equity shares after reporting year ended March 31, 2024 (Refer note 56).



TruAlt Bioenergy Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, compulsorily convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and term from IREDA, State Bank of India and Bank of India. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2024	31 March 2023
Equity		6,107.58	6,107.58
CCPS (Equity element - Refer note 15 (B) (iii))		14,690.38	14,690.38
Total equity	(i)	20,797.96	20,797.96
Borrowings other than CCPS		1,33,910.93	86,329.53
CCPS (Financial liability - Refer note 15 (B) (iii))		31,813.25	28,680.40
Less: Cash and cash equivalents		(1,738.09)	(477.91)
Total debt	(ii)	1,63,986.09	1,14,532.02
Total financing	(iii) = (i) + (ii)	1,84,784.05	1,35,329.98
Gearing ratio	(ii) / (iii)	0.89	0.85

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 as compared to year ended March 31, 2023.

51 Assets Pledged as Security

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

	Notes	31 March 2024	31 March 2023
Current assets			
Inventories	9	15,551.38	15,348.50
Trade receivables	10	29,692.79	8,654.24
Cash and cash equivalents	11	1,738.09	477.91
Total Current assets pledged as security		46,982.26	24,480.65
Non-Current assets			
Freehold land	5	6,207.34	4,673.12
Building	5	10,932.87	11,338.03
Plant and machinery	5	1,05,505.51	98,624.27
Total Non-Current assets pledged as security		1,22,645.72	1,14,635.42
Shares pledged*		1,560.23	1,560.23
Total Assets pledged as security		1,71,188.21	1,40,676.30

- (a) *As per the Facility Agreement dated February 21, 2023, the company availed term loan facility from Union Bank of India and India Renewable Energy Development Agency Limited (referred to as the "Original Lenders") against which 1,56,02,293 equity shares were pledged for Original Lenders. Subsequently, the term loan facility was taken over by State Bank of India and India Renewable Energy Development Agency Limited (referred to as the "New Lenders") under a new Facility Agreement dated February 23, 2024. Upon transition from Original Lenders to New lenders, 1,56,02,293 equity shares which were previously pledged for Old Lenders were temporarily released on March 14, 2024 and subsequently 1,58,80,000 shares were repledged for New Lenders on 24 April, 2024.
- (b) Sanctioned limit with SBI, IREDA has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstanding's, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire movable fixed assets and current assets (present and future) of the borrower.
- (c) The quarterly return/ statement of current assets filed by the Company with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts.



TruAlt Bioenergy Limited**Notes to the standalone financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees Lakhs, unless otherwise stated)

52 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year ended March 31, 2024 and year ended March 31, 2023 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).

53 Commitments

Particulars	31 March 2024	31 March 2023
Estimated Amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	15,424.57	-

54 Contingent liabilities and contingent assets

The Company does not have any contingent liabilities and contingent assets as at the end of March 31, 2024 and March 31, 2023.

55 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

56 Subsequent events

The Board of Directors of the Company at its meeting held on May 03, 2024 approved allotment of 95,55,804 fully paid up equity shares for the purpose of converting the Compulsorily Convertible Preference Shares (CCPS) of the Company aggregating to INR 46,919.00 lakhs, at an issue/conversion price of INR 491 per equity share.

57 Figures for previous year have been regrouped / reclassified wherever considered necessary and are not material to these standalone financial statements.

As per our report of even date

For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar Murugesh Nirani
Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: August 03, 2024

Debnath Mukhopadhyay
Chief Financial Officer

Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024

N.M. RAIJI & CO.
Chartered Accountants
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45/1, Palace Road
Bangalore - 560 001, INDIA
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRUALT BIOENERGY LIMITED (FORMERLY KNOWN AS TRUALT ENERGY LIMITED)

Report on the audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial Statements of **TruAlt Bioenergy Limited** (formerly known as TruAlt Energy Limited) ("the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as the Group), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flows and the Consolidated Statement of Change in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Group as at March 31, 2024, its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 on the consolidated financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	Valuation of Inventories The Holding Company has significant inventory balance of Ethanol as at March 31, 2024. The inventory is valued at the lower of cost or net realizable value. Inventory management, stocktaking routines and costing of inventories are underlying key factors in determining the value of inventories. Due to complexity of the inventory valuation calculations, the valuation of inventories is considered as a key audit matter.	Audit Procedures Our audit procedures related to valuation of inventories included: • Evaluating the appropriateness of the accounting policies applied by reference to IND AS. • Assessing functionality of the key IT systems of inventory management. • Testing of controls over inventory management and accuracy of inventory amounts. • Performing substantive audit procedures in order to test the accuracy of inventory valuation at the lower of cost or net realization value at reporting date by testing selected inventory items to relevant components of valuation.
2.	Revenue Recognition as per IND AS 115 Refer note no. 25 to the consolidated financial statements.	Audit Procedures Our audit procedures related to the identification of distinct performance obligations included the following, among others: • We tested the effectiveness of controls relating to the identification of distinct performance obligations. • We selected a sample of contracts with customers and performed the following procedures: – Obtained and read contract documents for each selection, including master service agreements and other documents that were part of the agreement. – Identified significant terms and deliverables in the contract to assess management's



		conclusions regarding the identification of distinct performance obligations.
3	Interest Subvention Income Refer note no. 26 to the consolidated financial statements.	Our audit procedures included the following: • We verified the sanction letters received from National Bank for Agriculture and Rural Development (NABARD) with respect to eligibility of the government grant • We verified the underlying calculations used to derive the amount of interest Subvention. • We further assessed the impact of interest subvention in accordance with IND AS 16 and IND AS 23.
4	Recognition of Government Grant as per IND AS 20 The Subsidiary has received an amount of Rs. 659.47 lakhs as government grant on reimbursement basis for setting up BioCNG plant with a capacity of 10,200 kg/per day, which will be recognised as income in the Statement of Profit and Loss of the subsidiary on a systematic basis over the remaining useful life of the plant (asset).	Audit Procedures Our audit procedures related to recognition of Government Grant included: • Evaluating the appropriateness of the IND AS applied. • Assessing whether there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received. • Ensuring that the grant is recognised on a systematic basis over the useful life of the asset.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements, standalone financial statements and auditor's report(s) thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of the consolidated financial statements that give a true and fair



view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group, in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management and board of directors of the companies included in the group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Holding Company or its subsidiary or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing each of Company's financial reporting process.

Auditor's Responsibility for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 and its subsidiary has an 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 Group'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 consolidated 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 or its subsidiary to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements

We communicate with those charged with governance of the Holding Company and such other companies included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Holding Company and its subsidiary so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, Consolidated Statement of Cash Flows and Consolidated Statement of Change in Equity, dealt with by this Report, are in agreement with the relevant books of account.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary as on March 31, 2024, and taken on record by respective Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the Holding Company and its subsidiary on internal financial controls over financial reporting.
- (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 Holding 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 Group has no pending litigations as at March 31, 2024.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
 - iv. (a) The respective Managements of the Holding Company and its subsidiary have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other person or entity, including foreign entity ("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 Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like, on behalf of the Ultimate Beneficiaries;
 - (b) The respective Managements of the Holding Company and its subsidiary have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or



otherwise, that the Holding Company or its subsidiary 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; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The preference dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act, as applicable. The Holding Company has proposed preference dividend for the year which is subject to the approval of the Members at the ensuing Annual General Meeting. The amount of Dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Holding Company and its subsidiary have used accounting software for maintaining its books of account for the financial year ended March 31, 2024, 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

While proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, on preservation of audit trail as per the statutory requirements for record retention is applicable only from April 1, 2024.

- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report), Order 2020('the order') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, we report that as per clause (vii)(a) of Annexure B of the Independent Auditors Report of the subsidiary, there are statutory dues of Rs. 39.29 lakhs remaining outstanding for the period exceeding six months as at the date of the Balance Sheet which has been subsequently paid by the subsidiary.



For N. M. Raiji & Co.
Chartered Accountants
Firm Registration Number: 108296W



Santosh Burande
Partner
Membership Number: 214451
UDIN: 24214451BK8LVO3670



Place: Bengaluru
Date: August 3, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TRUALT BIOENERGY LIMITED (FORMERLY KNOWN AS TRUALT ENERGY LIMITED)

(Referred to in Paragraph 1 point (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 TruAlt Bioenergy Limited (Formerly known as TruAlt Energy Limited) ("the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as the Group) as at March 31, 2024, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Holding Company and its subsidiary's are responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the respective companies, 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. 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 internal financial controls over financial reporting with reference to consolidated financial statements of the Company and its subsidiary, 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") Issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 consolidated 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 and its subsidiary'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 consolidated 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 consolidated 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 consolidated 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, to the best of our information and according to the explanation given to us, the Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies, 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 N. M. Raiji & Co.

Chartered Accountants

Firm Registration Number: 108296W



Santosh Burande

Partner

Membership Number: 214451

UDIN: 24214451BKBLVO3670



Place: Bengaluru

Date: August 3, 2024

TruAlt Bioenergy Limited
Consolidated Balance Sheet as at 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,27,635.01	1 14,863.53
Capital work-in-progress	5	20,125.37	961.88
Goodwill	6	5,159.38	4,786.18
Other intangible assets	6	9,874.10	10,508.23
Deferred tax assets (net)	33	75.65	-
Other non-current assets	7	13,225.35	8,067.79
Total non-current assets		1,76,094.86	1,39,187.62
Current assets			
Inventories	8	15,948.42	15,348.50
Financial assets			
Trade receivables	9	29,821.34	8,654.24
Cash and cash equivalents	10.1	2,335.04	477.91
Bank balance other than cash and cash equivalents	10.2	5.00	-
Investments	11	1,000.02	-
Other financial assets	12	587.99	16,935.86
Government grant	13	5,003.84	-
Income tax assets (net)		399.15	-
Other current assets	14	10,712.47	4,993.80
Total current assets		65,813.27	46,410.31
Total assets		2,41,908.13	1,85,597.93
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	6,107.58	6,107.58
Other equity	16	20,353.13	17,941.89
Equity attributable to parent		26,460.71	24,049.47
Non-controlling interest		-	-
Total equity		26,460.71	24,049.47
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	97,958.23	1,07,033.29
Other financial liabilities	18	0.40	1,120.40
Provisions	19	198.99	64.62
Other non-current liabilities	20	613.67	-
Deferred tax liability (net)	33	10,528.03	9,076.86
Total non-current liabilities		1,09,299.32	1,17,295.17
Current liabilities			
Financial liabilities			
Borrowings	21	70,509.95	7,976.64
Trade payables	22		
i) total outstanding dues of micro enterprises and small enterprises		23.93	138.46
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		15,338.46	30,733.94
Other financial liabilities	23	20,044.01	5,188.10
Other current liabilities	24	217.04	211.49
Provisions	19	14.71	4.66
Total current liabilities		1,06,148.10	44,253.29
Total liabilities		2,15,447.42	1,61,548.46
Total equity and liabilities		2,41,908.13	1,85,597.93

The accompanying notes 1 to 58 are an integral part of the consolidated financial statements.

As per our report of even date

For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296VV

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: August 03, 2024



For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	25	1,22,340.47	76,238.03
Other income	26	5,678.30	-
Total income		1,28,018.77	76,238.03
Expenses			
Cost of material consumed	27	77,150.73	56,733.13
Purchase of stock-in-trade		3,842.00	1,678.05
Changes in inventories of finished goods	28	(596.48)	(8,271.14)
Employee benefits expense	29	2,431.58	859.41
Finance costs	30	14,307.61	3,531.06
Depreciation and amortization expense	31	5,691.74	2,075.08
Other expenses	32	20,706.13	14,733.93
Total expenses		1,23,531.31	71,339.52
Profit before tax		4,487.46	4,898.51
Tax income/(expense)			
Current tax	33	-	-
Deferred tax	33	(1,306.62)	(1,352.52)
Total income tax income/(expense)		(1,306.62)	(1,352.52)
Profit for the year		3,180.84	3,545.99
Other comprehensive Income/(loss)			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on defined benefit plans		(10.93)	-
Income tax effect on the above		2.70	-
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent year		(8.23)	-
Total other comprehensive income/(loss) for the year		(8.23)	-
Total comprehensive income/(loss) for the year		3,172.61	3,545.99
Profit for the year attributable to:			
Equity holders of the parent		3,180.84	3,545.99
Non-controlling interests		-	-
Other comprehensive income/(loss) attributable to:			
Equity holders of the parent		(8.23)	-
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		3,172.61	3,545.99
Non-controlling interests		-	-
Earnings per share (Face value of INR 10/- each)			
Basic earnings per share (INR)	35	4.25	7.10
Diluted earnings per share (INR)	35	4.25	7.10

The accompanying notes 1 to 58 are an integral part of the consolidated financial statements.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451



Place: Bengaluru
Date: August 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited
Consolidated statement of changes in equity for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

(A) Equity share capital

		31 March 2024	
For the year ended		No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid			
Balance as at 1 April 2023		6,10,75,820	6,107.58
Changes in equity share capital during the year		-	-
Balance as at 31 March 2024		6,10,75,820	6,107.58

		31 March 2023	
For the year ended		No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid			
Balance as at 1 April 2022		61,000	6.10
Changes in equity share capital during the year		6,10,14,820	6,101.48
Balance as at 31 March 2023		6,10,75,820	6,107.58

(B) Other equity

For the year ended 31 March 2024			
Particulars	Equity component of compound financial	Retained Earnings	Total other equity
Balance as at 1 April 2023	14,690.38	3,251.51	17,941.89
Profit for the year	-	3,180.84	3,180.84
Other comprehensive income/(loss) for the year	-	(8.23)	(8.23)
Total comprehensive income for the year	-	3,172.61	3,172.61
Adjustment on account of transaction with shareholder	-	(174.88)	(174.88)
Issue of Compulsorily Convertible Preference Shares (Refer note 15 B)	-	-	-
Dividend on Compulsorily Convertible Preference Shares (Refer note 15 B)	-	(586.49)	(586.49)
Balance as at 31 March 2024	14,690.38	5,662.75	20,353.13

For the year ended 31 March 2023			
Particulars	Equity component of compound financial	Retained Earnings	Total other equity
Balance as at 1 April 2022	-	(1.23)	(1.23)
Profit for the year	-	3,545.99	3,545.99
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	3,545.99	3,545.99
Issue of Compulsorily Convertible Preference Shares (Refer note 15 B)	14,690.38	-	14,690.38
Dividend on Compulsorily Convertible Preference Shares (Refer note 15 B)	-	(293.25)	(293.25)
Balance as at 31 March 2023	14,690.38	3,251.51	17,941.89

The accompanying notes 1 to 58 are an integral part of the consolidated financial statements.

As per our report of even date
For N. M. Rajji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451



Place: Bengaluru
Date: August 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Muruges Niran Vishal Niran
Managing Director Director
DIN: 07413777 DIN: 08434032

Debnath Mukhopadhyay Mohith Kumar Khandelwal
Chief Financial Officer Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



TruAlt Bioenergy Limited
Consolidated Statement of cash flows for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	4,487.46	4,898.83
Adjustments for:		
Depreciation and amortization expenses	5,691.74	2,075.15
Finance cost	14,307.61	3,530.65
(Reversal) / Allowances for trade receivables	(6.26)	6.26
Provision for gratuity and leave encashment	127.30	19.11
Net gain/(loss) on fair value changes of mutual funds	(0.07)	-
Unrealised forex gain or loss	(7.71)	-
Operating profit before working capital changes	24,600.07	10,530.00
Changes in working capital		
Increase / (Decrease) in trade payables	(17,440.09)	28,756.34
(Increase) / Decrease in inventories	(448.37)	(11,074.38)
(Increase) / Decrease in trade receivables	(21,160.12)	(8,806.55)
Increase / (Decrease) in other current liabilities	568.87	83.69
Increase / (Decrease) in other financial liabilities	11,454.66	(10,452.90)
(Increase) / Decrease in other financial assets	16,342.87	(1,750.94)
(Increase) / Decrease in other assets	(9,971.09)	14,064.06
Cash generated from operations	3,946.80	23,349.32
Income tax paid	(399.15)	-
Net cash flows from operating activities (A)	3,547.65	23,349.32
Cash flow from Investing activities		
Cash outflow on acquisition of distillery business	-	(87,304.07)
Cash outflow on acquisition of shares of subsidiary (net of cash acquired)	(1,686.34)	-
Purchase of property plant and equipment including CWIP	(35,680.27)	(27,554.10)
Investment in mutual funds	(999.95)	-
Net cash flow used in Investing activities (B)	(38,366.56)	(1,14,858.17)
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	6,101.49
Commitment charges paid	-	(450.35)
Proceeds from loans (net of transaction cost)	29,912.48	86,352.88
Repayment of loans	(8,061.75)	(23.36)
Increase/(Decrease) of current borrowings	25,112.62	-
Interest paid	(10,287.31)	-
Net cash flow from financing activities (C)	36,676.04	91,980.66
Net increase in cash and cash equivalents (A+B+C)	1,857.13	471.81
Cash and cash equivalents at the beginning of the year	477.91	6.10
Cash and cash equivalents at the end of the year	2,335.04	477.91
Cash and cash equivalents comprise (Refer note 10.1)		
Cash in hand	0.06	-
Balances with banks		
On current accounts	2,334.98	477.91
Total cash and bank balances at end of the year	2,335.04	477.91

The accompanying notes 1 to 58 are an integral part of the consolidated financial statements.

As per our report of even date
For N. M. Rajji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: August 03, 2024



For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07418777

Vishal Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Mohith Kumar Khandelwa
Company Secretary
Membership No: 11243

Place: Bengaluru
Date: August 03, 2024



1 Corporate Information

TruAlt Bioenergy Limited (the "Company") (formerly known as TruAlt Energy Limited) is a public company domiciled in India. It was incorporated on March 31, 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol, Karnataka. The Company and its subsidiary ("the Group") is primarily engaged in the business of producing ethanol and other products derived from distillery processes and compressed biogas.

The consolidated financial statements as at March 31, 2024 comprise the financial statements of the Company and its subsidiary Leafiniti Bioenergy Private Limited which was acquired on October 4, 2023 and accordingly comparative standalone financial information for the year ended March 31, 2023 represents financial information of the Company. Therefore, the same is not comparable.

These consolidated financial statements were approved for issue in accordance with a resolution of the directors on August 03, 2024.

2 Material accounting policy information

Material accounting policies adopted by the Group are as under:

2.1 Basis of Consolidation

(a) Statement of Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules framed thereunder.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

- i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)
- ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.
- iii) Accounting for business combination as set out in note 34.

(c) Use of estimates

In preparation of these consolidated financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Refer note 3 for details of the key estimates and judgments.

(d) Control assessment

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns



(d) Control assessment (Contd.)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

(e) Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) The financial statements of all entities, used for the purpose of consolidation are drawn up to same reporting date as that of the Company.
- (iv) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



(e) Consolidation procedure (Contd.)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Below subsidiary has been considered in preparation of consolidated financial statements:

Name of the entity	Nature	Country of incorporation	% of holding as on 31 March 2024	% of holding as on 31 March 2023	Nature of business
Leafiniti Bioenergy Private Limited	Subsidiary	India	100.00%	-	Production and selling of compressed biogas and allied products.

2.2 Summary of Material Accounting Policies

(a) Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured, at acquisition date fair value and the amount of any NCI in the acquiree. Acquisition-related costs are expensed as and when they are incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in Statement of Profit and Loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.



(a) Business Combination and Goodwill (Contd.)

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(b) Current versus Non Current Classification

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

- i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realised within twelve months from the reporting period; or
- iv) 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 treated as 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 from 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 Group 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 Group has identified twelve months as its operating cycle.

(c) Fair value measurement

The Group measures financial instruments 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 accessible to the Group.



(c) Fair value measurement (Contd.)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement such as derivative instruments.

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

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(d) Revenue Recognition

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 Group expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Group is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods or Ex- Works, basis the terms of the contract. Payment for the sale is made as per the credit terms in the agreements with the customers. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the company does not have ability to use the product or to direct it to another customer

Contract balances - Trade receivables

A receivable represents the Group'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).

(e) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance is provided by the government in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is accounted as other income in the statement of profit and loss.



(f) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered 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 year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside profit or loss (either in OCI 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 establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

(g) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.



(g) Property, plant and equipment and Capital work-in progress (Contd.)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Group depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Factory Building	30-40
Other Buildings	3-50
Plant & Machinery	10-25
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5
Computers	3
Roads	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

(h) Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Group amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Customer relationship	10-25

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(i) 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 and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



(j) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and stores and spare parts:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- **Finished goods and work-in-progress:** cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

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

(k) Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and are reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(l) Provisions and contingent liabilities

- (a) Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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 recognized as a finance cost.

- (b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.
- (c) Contingent asset is not recognized in the consolidated financial statements; however, is disclosed where an inflow of economic benefits is probable.
- (d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each balance sheet date.



(m) Employee Benefits

Short-term obligations

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

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Defined benefit plans

The Group provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the OCI in the year in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the Statement of Profit and Loss. The obligations are presented as Current Liabilities in the Balance Sheet, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(n) 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.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.



Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:

- a) at amortized cost; or
- b) at fair value through OCI; or
- c) at fair value through profit or loss.

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

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if the 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 recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognized only when:

- a) the right to receive cash flows from the financial asset is transferred; or
- b) the Group retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.



(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as a finance costs.

(iii) Offsetting financial instruments

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

(o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise of cash in hand and cash at banks.

(p) Earnings Per Share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group after deducting preference dividend by the weighted average number of equity shares outstanding during the financial year.

Diluted EPS is calculated by adjusting the figures used in the determination of basic EPS to consider:

- The interest associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Rounding off amounts

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



3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, 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.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Group reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(b) Defined benefit plans (gratuity benefits)

The cost of the defined benefit plans such as gratuity and leave encashment 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis. For details refer note 36.

(c) Estimation of Net Realizable value for Inventories

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified.

(d) Useful life of Property, Plant and Equipment and Intangible Asset

The Group reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

4 New and Amended Standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial Information is required to be disclosed.



5 Property, plant and equipment and Capital work-in progress

	Gross Block				Accumulated depreciation				Net block	
	As at 1 April 2023	Acquisition through Business Combination (Refer Note 34)	Additions	Deductions	As at 31 March 2024	For the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Owned assets										
Land	4,673.12	484.48	1,534.22	-	6,691.82	-	-	6,691.82	4,673.12	-
Building-Factory	11,247.51	482.82	-	-	11,730.33	-	-	11,730.33	11,050.91	-
Building-Others	291.98	32.75	-	-	324.73	4.86	-	298.31	287.12	-
Temporary sheds	34.70	-	-	-	34.70	8.24	-	22.33	30.57	-
Plant and machinery	99,929.97	3,847.51	10,867.80	-	1,14,645.28	4,063.49	-	1,09,276.09	98,624.27	-
Furniture and fixtures	12.26	2.75	3.78	-	18.79	2.70	-	14.91	11.08	-
Office Equipment	3.48	16.28	8.95	-	28.71	3.41	-	25.67	3.05	-
Computers	193.08	1.17	38.01	-	232.26	72.83	-	148.25	181.90	-
Vehicle	1.52	-	26.31	-	27.83	0.32	-	27.50	1.51	-
Total	1,16,387.62	4,867.76	12,480.07	-	1,33,735.45	4,576.35	-	1,27,635.91	1,14,863.53	-
Capital work-in progress	961.88	-	29,945.37	(10,781.86)	20,125.37	-	-	20,125.37	961.88	-
	Gross Block				Accumulated depreciation				Net block	
	As at 1 April 2022	Acquisition through Business Combination (Refer Note 34)	Additions	Deductions	As at 31 March 2023	For the year	Deductions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Owned assets										
Land	-	4,576.04	97.08	-	4,673.12	-	-	4,673.12	-	-
Building-Factory	-	10,934.59	312.93	-	11,247.51	195.80	-	11,050.91	-	-
Building-Others	-	287.68	4.30	-	291.98	4.86	-	287.12	-	-
Temporary sheds	-	34.70	-	-	34.70	4.13	-	30.57	-	-
Plant and machinery	-	46,844.20	52,895.77	-	99,929.97	1,305.70	-	98,624.27	-	-
Furniture and fixtures	-	11.19	1.07	-	12.26	1.18	-	11.08	-	-
Office Equipment	-	3.48	-	-	3.48	0.43	-	3.05	-	-
Computers	-	5.20	187.88	-	193.08	11.18	-	181.90	-	-
Vehicle	-	1.52	-	-	1.52	0.01	-	1.51	-	-
Total	-	62,758.59	53,589.03	-	1,16,387.62	1,524.09	-	1,14,863.53	-	-
Capital work-in progress	-	26,401.34	27,481.51	(53,120.97)	961.88	-	-	961.88	-	-

Notes:

- a) The Group has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment), refer note 53.
b) For capital commitment with regards to property plant and equipment, refer note 54.
c) Included in this amount are capitalised specific borrowing costs related to the project expansion of 600 KLPD amounting to INR 975.60 lakhs, calculated using a capitalisation rate of 5.89%.
d) The Group has not revalued its property, plant and equipment during the current year.

Capital work-in progress ageing schedule

Particulars	Amount in CWP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	-	20,125.37	-	-	20,125.37
Projects temporarily suspended	-	-	-	-	-
Total	-	20,125.37	-	-	20,125.37
As at 31 March 2023					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There are no projects under Capital Work in progress where the completion is overdue or has extended its cost compared to its original plan.



TruAlt Bioenergy Limited
Notes to the consolidated financial statements for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	31 March 2024	31 March 2023
7 Other non-current assets		
Capital advance	13,169.81	7,647.51
Prepaid expenses	55.54	420.28
	13,225.35	8,067.79

	31 March 2024	31 March 2023
8 Inventories		
Raw material	5,657.61	6,026.36
Raw material in transit	40.02	-
Finished goods	7,647.96	8,271.14
Finished goods in transit*	1,221.66	-
Store and spares parts including packing material	1,381.17	1,051.00
	15,948.42	15,348.50

* As at March 31, 2024 the goods are in transit to customers and the same has been delivered subsequent to the year end. As per the terms of Letter of Intent, revenue is recognised upon satisfaction of the performance obligations which is typically upon delivery, for Oil Marketing Companies (OMC) and hence the corresponding revenue is not recognised for the year ended March 31, 2024

	31 March 2024	31 March 2023
9 Trade receivable		
Unsecured		
- Considered good	29,821.34	8,660.50
Less: Loss allowance	-	(6.26)
	29,821.34	8,654.24

Ageing of Trade Receivables*

31 March 2024		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables -- considered good	-	28,827.09	959.69	17.56	17.00	-	-	29,821.34
Total	-	28,827.09	959.69	17.56	17.00	-	-	29,821.34

31 March 2023		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables -- considered good	-	6,407.78	1,978.45	222.45	51.82	-	-	8,660.50
Less: Loss allowance	-	-	-	-	(6.26)	-	-	(6.26)
Total	-	6,407.78	1,978.45	222.45	45.56	-	-	8,654.24

*Trade receivables balance includes retention money.

	31 March 2024	31 March 2023
10.1 Cash and cash equivalents		
Cash in hand	0.06	-
Balances with banks:		
On current accounts	2,334.98	477.91
	2,335.04	477.91

	31 March 2024	31 March 2023
10.2 Bank balance other than cash and cash equivalents		
Deposits with original maturity of more than three months but remaining maturity less than twelve months	5.00	-
	5.00	-

	31 March 2024	31 March 2023
11 Investments		
Investment carried at fair value through profit and loss		
Investment in unquoted mutual funds		
32,27,050.50 (31 March 2023: Nil) units in SBI Arbitrage Opportunities Fund growth plan	1,000.02	-
Carrying amount of unquoted mutual funds - INR 999.95 lakhs		
	1,000.02	-

	31 March 2024	31 March 2023
12 Other financial assets		
Receivable from third parties	544.81	13,364.59
Receivable from related parties [Refer Note 37 (C)]	-	3,571.27
Security deposit	5.30	-
Accrued Interest Receivable	0.48	-
Others	37.40	-
	587.99	16,935.86

	31 March 2024	31 March 2023
13 Government grant		
Interest subvention receivable (Refer Note -26)	5,003.84	-
	5,003.84	-

	31 March 2024	31 March 2023
14 Other current assets		
Balance with government authorities	9,424.30	4,589.26
Advance to third parties	589.99	241.51
Prepaid expenses	423.27	163.03
Others	274.91	-
	10,712.47	4,993.80



TruAlt Bioenergy Limited
Notes to the consolidated financial statements for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

15 Share capital

(A) Equity shares

	31 March 2024	31 March 2023
Authorised share capital		
10,00,00,000 (31 March 2023: 7,00,00,000) Equity Shares of INR 10 each	10,000.00	7,000.00
Issued, subscribed and paid up		
6,10,75,820 (31 March 2023: 6,10,75,820) equity shares of INR 10 each fully paid	6,107.58	6,107.58
	6,107.58	6,107.58

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	6,10,75,820	6,107.58	61,000	6.10
Add: Issued during the year	-	-	6,10,14,820	6,101.48
Outstanding at the end of the year	6,10,75,820	6,107.58	6,10,75,820	6,107.58

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of INR 10/- per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends which if declared is payable in Indian Rupees.

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.

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

	31 March 2024		31 March 2023	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid				
Vijaykumar Murugesh Nirani	1,30,36,841	21.35%	89,21,437	14.61%
Vishal Nirani	1,30,25,071	21.33%	89,13,383	14.59%
Sushmitha Vijaykumar Nirani	1,22,74,868	20.10%	84,00,000	13.75%
Kamala Mungeppa Nirani	42,52,040	6.96%	1,63,54,000	26.78%
Sangamesh Rudrappa Nirani	90,10,000	14.75%	90,10,000	14.75%
Dhruksayani S Nirani	84,10,000	13.77%	84,10,000	13.77%

As per the gift deed executed on July 24, 2023, Kamala Mungeppa Nirani gifted 41,15,404 shares to Vijaykumar Nirani, 41,11,688 shares to Vishal Murugesh Nirani and 38,74,868 shares to Sushmitha Vijaykumar Nirani. The Company's records, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest confirm the above shareholding represents both legal and beneficial ownerships of shares.

	31 March 2024			31 March 2023		
Name of the Promoter	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Vijaykumar Murugesh Nirani	1,30,36,841	21.35%	6.74 %	89,21,437	14.61%	(1.79%)
Vishal Nirani	1,30,25,071	21.33%	6.73 %	89,13,383	14.59%	(1.80%)
Sushmitha Vijaykumar Nirani	1,22,74,868	20.10%	6.34 %	84,00,000	13.75%	13.75%
	3,83,36,780	62.78%		2,62,34,820	42.95%	

(v) Shares reserved for issue under options

For details of shares reserved for issue on conversion of Compulsorily Convertible Preference Shares, please refer note 15B below related to terms of conversion/redemption of preference shares.

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the end of current year.

(vii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the end of current year.

(viii) Right Issue of shares

The Board of Directors approved a resolution on 30th June, 2022, for allotment of a rights issue of equity shares and allotted 6,00,00,000 equity shares at par on a rights basis. The Company utilized the proceeds amounting to INR 6,00,00,00 lakhs from the right issue against general corporate purpose. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.

The Board of Directors approved a resolution on 12th September, 2022, for allotment a rights issue of equity shares and allotted 10,14,820 equity shares at par on a rights basis. The Company utilized the proceeds amounting to INR 101.48 lakhs from the right issue against existing unsecured loans received. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.



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(B) Compulsorily Convertible Preference Shares

	31 March 2024	31 March 2023
Authorised share capital		
4,70,00,000 (31 March 2023: 4,70,00,000) Preference Shares of INR 100 each	47,000.00	47,000.00
	47,000.00	47,000.00
Issued, subscribed and paid up		
4,69,19,000 (31 March 2023: 4,69,19,000) Compulsory Convertible Preference Shares (CCPS) of INR 100 each	46,919.00	46,919.00
	46,919.00	46,919.00

(i) Reconciliation of preference shares outstanding at the beginning and at the end of the year

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	4,69,19,000	46,919.00	-	-
Add: Issued during the year	-	-	4,69,19,000	46,919.00
Outstanding at the end of the year	4,69,19,000	46,919.00	4,69,19,000	46,919.00

(ii) Details of preference shares held by shareholders holding more than 5% of the aggregate preference shares in the Company

	31 March 2024		31 March 2023	
Name of the shareholders	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Nirani Sugars Limited *	1,15,94,000	24.71%	1,40,94,000	30.04%
Shri Sai Praya Sugars Limited*	2,25,25,000	48.01%	2,25,25,000	48.01%
MRN Cane Power India Limited*	1,03,00,000	21.95%	1,03,00,000	21.95%

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on January 10, 2024, these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company, MRN Chamundi Canepower and Biorefineries Limited. On July 15, 2024, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.

(iii) Terms of CCPS

The Company has issued Compulsorily Convertible Preference Shares (CCPS) amounting to INR 46,919.00 lakhs at par value of INR 100 per CCPS, in October 2022 as part of purchase consideration for the acquisition of the distillery business. The CCPS are compulsorily convertible into equity shares at the end of 5 years from the date of allotment. The number of equity shares to be issued would be determined based on the Fair Market Value (FMV) as per the valuation done by IBBI Registered Valuer as on that date and therefore the conversion ratio is not fixed. The CCPS also carry a discretionary and cumulative dividend of 1.25% p.a. The dividend when declared and approved will be recognised as distribution, resulting in charge to distributable reserves. The CCPS shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions and shall not have any voting rights.

The CCPS have been accounted for as a compound financial instrument rather than an equity instrument given that the conversion ratio is not fixed. The financial liability component represents the net present value of the total proceeds from CCPS discounted using the incremental borrowing rate of the Company and balance has been recognised as equity. The details of equity and financial liability component at the period end are set out below

	31 March 2024	31 March 2023
Equity component of CCPS (Refer note 16)	14,690.38	14,690.38
Liability component of CCPS (Refer note 21 & 17)	31,813.25	28,680.40
	46,503.63	43,370.78

Notes:

The Company has approved conversion of CCPS into equity shares after reporting year ended March 31, 2024 (Refer note 57).

16 Other equity

	31 March 2024	31 March 2023
Retained earnings	5,662.75	3,251.51
Equity component of Compound Financial Instruments [Refer note 15 (B)(iii)]	14,690.38	14,690.38
	20,353.13	17,941.89

Retained earnings

	31 March 2024	31 March 2023
Opening balance	3,251.51	(1.23)
Add: Profit for the year	3,180.84	3,545.99
Add/(less) Re-measurement gain on defined benefit plans (net of income tax)	(8.23)	-
Less: Dividend on Compulsorily Convertible Preference Shares	(586.46)	(293.25)
Less: Transaction with shareholders of subsidiary company	(174.88)	-
Closing balance	5,662.75	3,251.51

Retained earnings are profits/(losses) earned/incurred till date.



17 Non-current borrowings (carried at amortised cost)

Secured

Term loan

From Bank and financial institution

State Bank of India

Indian Renewable Energy Development Authority (IREDA)

Union Bank of India

Bank of India

Canara Bank Term Loan

Less: Current maturities of State Bank of India (Refer note 21)

Less: Current maturities of Union Bank of India (Refer note 21)

Less: Current maturities of Indian Renewable Energy

Development Authority (IREDA) (Refer note 21)

Less: Current maturities of Bank of India (Refer note 21)

Less: Current maturities of Canara Bank Term Loan (Refer note 21)

Unsecured

Compulsorily Convertible Preference Shares [Refer note 15 (B)]

31 March 2024 31 March 2023

23,196.28	-
85,235.43	60,507.90
-	25,821.73
23.85	-
2,744.00	-
1,11,199.56	86,329.53
3,596.00	-
-	2,374.64
9,417.33	5,802.00
7.50	-
220.50	-
13,241.33	7,976.64
-	28,680.40
97,958.23	1,07,033.29

A Terms of repayment

- (i) During the financial year 2022-23, the Company has obtained a consortium Term loan 1 from Indian Renewable Energy Development Agency (IREDA) and Union Bank of India (UBI) amounting to INR 88,400 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 87,306.00 lakhs was scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from 27 March 2023. As per the loan agreement, the said loan was taken for the purpose of acquisition of 1400 KLPD ethanol distilleries located at 3 different locations in Karnataka (Refer note 34).
- (ii) The Company has obtained a consortium Term loan 2 from Indian Renewable Energy Development Agency (IREDA) and Union Bank of India (UBI) during the year ended March 31, 2024, amounting to INR 45,000.00 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 30,520.00 lakhs is scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from July 31, 2023. As per the loan agreement, the said loan was taken for the purpose of expansion of ethanol distilleries by 600 KLPD located at 3 different locations in Karnataka.
- (iii) On January 6, 2024, the Company has modified the consortium agreement for Term loan 1 sanctioned in financial year 2022-23 where UBI was replaced by State Bank of India (SBI) as the party to consortium. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a. to 6 Month SBI MCLR plus 1.55%.
- (iv) On January 23, 2024, the consortium agreement for Term loan 2 sanctioned was modified where the entire term loan is taken over by IREDA and UBI is no longer a party to the consortium agreement. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a. to 11.30% plus 0.5% till commissioning. The repayment of principal amount is scheduled to commence from March 31, 2025 instead of March 31, 2024. However, the current weighted average coming out to be 10.82% p.a. till commissioning for Term loan 2 sanctioned by IREDA.
- (v) The term loan amounting to INR 2,940.00 Lakhs was sanctioned by Canara Bank during the financial year 2020-21. The loan carries an interest rate of 11.25% p.a. and is scheduled for repayment in 96 monthly instalments, with monthly interest payments commencing from October 31, 2022. As per the loan agreement, the said loan was taken for the purpose of expansion of compressed bio gas plant by 200 TPD capacity located in Karnataka.
- (vi) The vehicle loan amounting to INR 24.45 Lakhs was sanctioned by Bank of India which carries an interest rate of 8.85% p.a. and is scheduled for repayment in 36 monthly instalments, with monthly interest payments commencing from March 30, 2024.
- The Company has used such borrowings for the purposes as stated in the loan agreement.

B Repayment schedule for secured loan taken during the period

	SBI	IREDA	Bank of India	Canara Bank
Number of instalments due (Nos)	24	28	35	79
Rate of Interest (%)	10.10%	10.82%	8.85%	11.25% to 13.20%
Within one year	3,596.00	9,417.33	7.50	220.50
After one year but not more than 5 years	16,184.00	55,094.67	16.35	1,617.00
More than 5 years	3,416.28	20,723.43	-	906.50
	23,196.28	85,235.43	23.85	2,744.00

Term loans contain certain debt covenants relating to limitation on indebtedness, fixed asset coverage ratio, and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Group has satisfied all other debt covenants prescribed in the terms of loan. The Group has not defaulted on any loans payable.

18 Other financial liabilities (carried at amortised cost)

31 March 2024 31 March 2023

Refundable deposits

Payable towards purchase consideration to related parties [Refer note 37 (C)]

0.40	2.15
-	1,118.25
0.40	1,120.40

19 Provisions

Provision for gratuity (unfunded) [Refer note 36 (B)]

Provision for leave encashment

Other provisions

Non Current		Current	
31 March 2024	31 March 2023	31 March 2024	31 March 2023
110.30	58.10	6.84	4.07
88.69	6.52	7.87	0.59
-	-	-	-
198.99	64.62	14.71	4.66



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Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

20 Other non-current liabilities

Deferred government grant*

31 March 2024	31 March 2023
613.67	-
613.67	-

*The Ministry of New and Renewable Energy has issued "Waste to energy programme" under which Central Financial Assistance will be provided in the form of capital subsidy and Grants-in-Aid to companies for installing plants that produce BioCNG from Industrial & Agriculture Waste. The grant has been accordingly accounted for in accordance with Ind AS 20 'Accounting for Government Grants'.

21 Current borrowings (carried at amortised cost)
Secured

Current maturities of long-term borrowings (Refer note 17)

Working capital loan

31 March 2024	31 March 2023
13,241.33	7,976.64
25,455.37	-

Unsecured

Compulsorily Convertible Preference Shares [Refer note 15 (B)]

31 March 2024	31 March 2023
31,813.25	-
70,509.95	7,976.64

Net debt reconciliation

Analysis of net debts and movement in net debts for each of the year presented:

Liabilities from financing activities	
Particulars	Amount
Net debt as at April 1, 2022	-
Proceeds from loans (net of transaction cost)	86,352.89
Repayment of loans	(23.36)
CCPS including interest on liability component of CCPS	28,680.40
Net debt as at March 31, 2023 excluding accrued interest recognised as other financial liabilities in note 23	1,15,009.93
Proceeds from loans (net of transaction cost)	29,912.48
Net increase/decrease in short term borrowings	25,112.62
Interest on borrowings	189.60
Repayment of loans	(8,061.75)
Interest on liability component of CCPS	3,132.86
Borrowings acquired through business combination	3,172.44
Net debt as at March 31, 2024 excluding accrued interest recognised as other financial liabilities in note 23	1,68,468.18

Cash and non cash adjustments in Net debt
As at 31 March 2024

Particulars	Cash adjustments	Non cash adjustments	Total
Proceeds from loans (net of transaction cost)	30,544.45	(631.97)	29,912.48
Interest on borrowings	-	189.60	189.60
Repayment of loans	(8,061.75)	-	(8,061.75)
Interest on liability component of CCPS	-	3,132.86	3,132.86
Borrowings acquired through business combination	-	3,172.44	3,172.44

As at 31 March 2023

Particulars	Cash adjustments	Non cash adjustments	Total
Proceeds from loans (net of transaction cost)	86,352.89	-	86,352.89
Interest on borrowings	-	-	-
Repayment of loans	(23.36)	-	(23.36)
CCPS including interest on liability component of CCPS	-	28,680.40	28,680.40

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 53.



22 Trade payables (carried at amortised cost)

Total outstanding dues of micro enterprises and small enterprises
Total outstanding dues of creditors other than micro enterprises and small enterprises

* INR 11,178.98 lakhs (31 March 2023: 22,396.48 lakhs) of the trade payable balance is payable to related parties [Refer note 37 (C)].

Trade payables are non-interest bearing and are normally settled within the credit period agreed with the supplier.

Disclosure relating to suppliers registered under MSME Act based on the information available with the Group:

Particulars	Current	
	31 March 2024	31 March 2023
(a) Amount remaining unpaid to any supplier at the end of each period:		
Principal	23.93	138.46
Interest	-	-
Total	23.93	138.46
(b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act, along with the amount of the payment made to the supplier beyond the appointed day during each year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSME Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act.	-	-

Trade Payables ageing schedule

31 March 2024	Particulars	Current				
		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		23.93	-	-	-	23.93
(ii) Disputed dues – MSME		-	-	-	-	-
(iii) Others		13,209.62	1,714.56	328.97	85.31	15,338.46
(iv) Disputed dues - Others		-	-	-	-	-
		13,233.56	1,714.56	328.97	85.31	15,362.39

31 March 2023	Particulars	Current				
		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		134.12	2.34	2.00	-	138.46
(ii) Disputed dues – MSME		-	-	-	-	-
(iii) Others		29,329.95	1,358.89	3.98	41.12	30,733.94
(iv) Disputed dues - Others		-	-	-	-	-
		29,464.07	1,361.23	5.98	41.12	30,872.40

23 Other financial liabilities (carried at amortised cost)

Interest payable
Due to related parties [Refer note 37 (C)]
Payable to employees
Creditors for capital goods
Others

31 March 2024	31 March 2023
210.76	118.86
9,405.05	4,722.79
11.96	-
8,060.38	-
2,355.86	346.45
20,044.01	5,188.10

24 Other current liabilities

Statutory dues payable
Deferred government grant*

31 March 2024	31 March 2023
189.56	211.49
27.48	-
217.04	211.49

*The Ministry of New and Renewable Energy has issued "Waste to energy programme" under which Central Financial Assistance will be provided in the form of capital subsidy and Grants-in-Aid to companies for installing plants that produce BioCNG from Industrial & Agriculture Waste. The grant has been accordingly accounted for in accordance with Ind AS 20 "Accounting for Government Grants".



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Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

25 Revenue from operations	31 March 2024	31 March 2023
Sale of goods *	1,18,481.48	74,493.19
Sale of traded goods	3,858.99	1,744.84
	1,22,340.47	76,238.03

*Includes government incentive towards sale of Fermented Organic Manure (FOM) amounting to INR 36.92 lakhs (31 March, 2023 : Nil)

A. Disaggregation of revenue from contracts with customers

- (i) Revenue is attributable to sale of ethanol, power and allied products and compressed biogas and it is recognised upon satisfaction of the performance obligations which is typically upon delivery, for Oil Marketing Companies (OMC) and Ex- Works, for companies other than OMCs (i.e., point in time). The Group's primary customers for ethanol and compressed biogas sales are public sector Oil Marketing Companies (OMC) and Oil and Gas Companies in India.

As of March 31, 2024, there are no unsatisfied performance obligations or contractual liabilities.

- (ii) Certain customers arrangements consist of bill-and-hold characteristics under which transfer of control has been met (including the passing of title and significant risk and reward of ownership to the customers). Therefore, the customers can direct the use of the bill-and-hold inventory while the Company still retains physical possession of the product until it is shipped to a customer at a point in time in the future.

Under "Bill and hold" arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract. Normally no obligation towards custodial service exists.

- (iii) Revenues from customers: 4 Customers (31 March 2023: 3 Customers) represented more than 10% or more of the Group's revenues amounting to INR 94,395.60 lakhs (31 March 2023: 69,988.51 lakhs).

26 Other income	31 March 2024	31 March 2023
Interest subvention income*	5,017.40	-
Unrealised forex gain / (loss)	7.71	-
Miscellaneous income	625.46	-
Amortisation of deferred government Grant**	18.32	-
Net gain/(loss) on fair value changes of mutual funds	0.07	-
Interest Income	9.34	-
	5,678.30	-

*As at March 31, 2023, the Seller companies have submitted claim for government grants related to interest subvention, with the respective amount being recoverable from related parties. The interest subvention income post BTA has been adjusted against the interest on borrowings. For the period April 2023 to March 2024, the Company has been sanctioned government grants related to interest subvention, and the respective amount has been recorded under Other income as "Interest subvention income".

The Company is eligible to claim interest subvention from the Department of Food & Public Distribution (DFPD) for the year ended March 31, 2024, as confirmed by the National Bank for Agriculture and Rural Development (NABARD). However, the Company has not yet submitted a claim for Term Loan 1 for the current year, as it is awaiting NABARD's approval to claim interest subvention for the five-year period starting April 1, 2023. Additionally, the Company is waiting for NABARD to create a new account in the Company's name on the NABARD portal to facilitate the monitoring of these new interest subvention claims.

**Deferred government grant of INR 659.46 lakhs (31 March,2023 : Nil) recognised on a systematic basis over the useful life of the plant and machinery of BioCNG plant. The corresponding depreciation is appearing in Note 5.

27 Cost of material consumed	31 March 2024	31 March 2023
Inventory at the beginning of the year	6,026.36	-
Add: Purchases	76,822.00	62,759.49
Less: Inventory at the end of the year (Refer note 8)	5,697.63	6,026.36
	77,150.73	56,733.13



TruAlt Bioenergy Limited
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28 Changes in inventories of finished goods

	31 March 2024	31 March 2023
Inventories at the beginning of the year		
- Finished goods (Refer note 8)	8,271.14	-
	8,271.14	-
Less: Inventories at the end of the year		
- Finished goods (Refer note 8)	8,869.62	8,271.14
	8,869.62	8,271.14
Net decrease/ (increase)	(598.48)	(8,271.14)

29 Employee benefits expense

	31 March 2024	31 March 2023
Salaries, wages, bonus and other allowances	2,180.53	803.31
Contribution to Provident Fund and ESI	113.25	33.52
Gratuity expenses (Refer note 36)	39.06	12.01
Leave encashment	88.24	7.10
Staff welfare expenses	10.50	3.47
	2,431.58	859.41

30 Finance costs

	31 March 2024	31 March 2023
Interest on borrowing	10,486.33	2,061.68
Interest on liability component of CCPS*	3,132.86	1,395.24
Bank charges	688.42	74.14
	14,307.61	3,531.06

*The Company has approved conversion of CCPS into equity shares after reporting year ended March 31, 2024 (Refer note 57).

31 Depreciation and amortization expense

	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (Refer note 5)	4,576.35	1,524.09
Amortization of intangible assets (Refer note 6)	1,115.39	550.99
	5,691.74	2,075.08



TruAlt Bioenergy Limited**Notes to the consolidated financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees Lakhs, unless otherwise stated)

32 Other expenses

	31 March 2024	31 March 2023
Consumption of stores & spares and consumables	2,358.15	1,590.51
Manufacturing expenses	3,666.12	1,831.78
Power and fuel	8,703.75	6,039.51
Service fee (Refer note 37)	141.21	1,152.08
Selling and distribution expenses	3,729.88	2,859.67
Repairs and maintenance - Plant and Machinery	271.16	103.71
Repairs and maintenance - others	136.73	65.32
Legal and professional charges	584.25	234.36
Business promotion expenses	23.10	335.49
Rates and taxes	512.32	393.40
Insurance expenses	214.20	15.23
Security charges	115.59	32.64
Travel and conveyance	137.33	25.40
Miscellaneous expenses*	112.34	54.83
	20,706.13	14,733.93

*Note : This amount includes Corporate Social Responsibility (CSR) expenditure

	31 March 2024	31 March 2023
Corporate Social Responsibility (CSR) expenditure	49.00	NA
Amount required to be spent by the Company during the year	49.00	NA
Amount of expenditure incurred on:		
(i) Construction/acquisition of any assets	-	NA
(ii) On purposes other than (i) above	49.00	NA
Shortfall at the end of the year	-	NA
Total of previous year shortfall	NA	NA
Reason for shortfall	NA	NA

CSR activities include initiatives in education, skill development, healthcare, and environmental sustainability, through contributions to the MRN Foundation.



33 Income tax and Deferred tax

(A) Deferred tax Liabilities (Net)

Deferred tax assets

On provision for employee benefits	40.56	4.81
On unabsorbed depreciation and carry forward business losses		
Unabsorbed depreciation	1,660.50	1,074.21
On deferral of income from government grant	110.02	
On others	12.79	6.68
Total Deferred tax asset	1,823.87	1,085.70

Deferred tax liabilities

On account of business combination [Refer Note No 34]	(2,967.82)	(2,783.38)
On property, plant & equipment and intangible assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	(5,256.55)	(2,550.51)
On compulsorily convertible preference shares [Refer note 15 (B)]	(3,801.22)	(4,589.95)
On others	(250.66)	(238.72)
Total Deferred tax liabilities	(12,276.25)	(10,162.56)
Deferred tax asset/(liability), net	(10,452.38)	(9,076.86)

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Opening balance as of 1 April	(9,076.86)	-
On Acquisition through business combination	(71.60)	
Tax liability recognized in Statement of Profit and Loss	(1,306.62)	(1,352.52)
Tax liability recognized in OCI	-	
On re-measurements gain/(losses) of post-employment benefit obligations	2.70	-
Tax liability recognized directly in equity		
On compulsorily convertible preference shares	-	(4,941.10)
Others	-	(2,783.24)
Closing balance as at March 31	(10,452.38)	(9,076.86)

- (i) On the acquisition date, deferred tax liability of INR 2,783.38 lakhs on customer relationship has been recognised with a corresponding increase in goodwill in the financial year 2022-23. Subsequent amortisation of the customer relationship so recognised for the financial reporting purposes of March 31, 2023 has resulted in reversal of the deferred tax liability amounting to INR 138.67 lakhs which has been recognised through statement of profit and loss.

(C) Income tax expense

i. Income tax expense in the statement of profit and loss comprises :

- Current tax taxes	-	-
- Deferred tax charge / (income)	1,306.62	1,352.52
Income tax expense in the statement of profit and loss	1,306.62	1,352.52
ii. Other Comprehensive Income		
- Re-measurement (loss)/ gain on defined benefit plans	(2.70)	-
Income tax related to items recognised in OCI for the year	(2.70)	-

(D) Reconciliation of tax charge

Accounting profit before tax	4,487.46	4,898.51
Applicable tax rate	25.17%	25.17%
Income tax expense at tax rates applicable	1,129.40	1,232.86
Tax effects of:		
- Expenses of capital nature disallowed	24.65	70.13
- Other disallowed expenses	54.51	49.53
- Deferred tax pertaining to unabsorbed depreciation	65.86	-
- Deferred tax impact due to change in tax rate of subsidiary company	14.52	-
- Adjustment for different tax rates within the Group	17.78	-
- Others	(0.10)	-
Income tax charged to statement of profit and loss	1,306.62	1,352.52

The calculation of the Group's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with tax authorities. Whilst the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of agreements with the relevant tax authorities, or litigation where appropriate, the Group continues to consider that it has made appropriate provision for periods which are open and not yet agreed by the tax authorities. Each year management completes a detailed review of uncertain tax positions across the Group and makes provisions based on the probability of the liability arising.



TruAlt Bioenergy Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

34 Business combinations

Leafiniti Bioenergy Private Limited

The Board of Directors of the Company at its meeting held on September 18, 2023 has approved the purchase of 72,19,494 equity shares of Leafiniti Bioenergy Private Limited. ('LBPL') from its shareholders. On October 4, 2023, the Company has invested INR 866.34 lakhs constituting 51.22% of the paid-up share capital of LBPL, resulting to gain of control as per Ind AS 103 - Business combinations, thereby making LBPL a subsidiary of the Company. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	4,867.76
Capital Work in Progress (CWIP)	-
Intangible assets (customer relationship)	481.26
Capital advances	519.25
Net working capital	(1,450.23)
Debt and debt like items	(3,203.00)
Deferred tax	118.11
Total Fair value of Net Assets	1,333.15
Non Controlling interest	650.30
Total Fair value of Net Assets acquired (A)	682.85
<i>Less: Consideration transferred</i>	
Cash paid	866.34
Total consideration paid (B)	866.34
Goodwill / (Capital Reserve) (excluding deferred tax liability) (B) - (A)	183.49
Deferred tax attributable to the Company	97.17
Deferred tax attributable to Non-controlling interest	92.54
Goodwill / (Capital Reserve)	373.20

In a subsequent meeting on November 6, 2023, the Board approved an additional investment of INR 63.94 lakhs for purchase of 5,32,829 equity shares constituting 3.78% of shareholding in LBPL, which was executed on December 27, 2023.

Furthermore, the Company has invested INR 761.24 lakhs on February 24, 2024, to acquire the remaining 45% of LBPL's paid-up share capital, thereby making LBPL a wholly-owned subsidiary.

Acquisition of distillery business

The Company acquired the distillery business from Shri Sai Priya Sugars Limited (SSPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India Limited (MRNCPIIL) (collectively referred to as Sellers) through a Business Transfer Agreement (BTA) effective 1 October 2022. The distillery business represents manufacturing and sale of ethanol which is the principal business activity of the Company. The acquisition has been accounted for in accordance with the principles of acquisition method as set out in Ind AS 103 - Business combinations. Transaction cost directly attributable with the acquisition has been expensed through the statement of profit and loss. The consideration has been settled partly through cash and issuance of CCPS. A portion of consideration payable in cash was expected to be settled within a year from the acquisition date. However, the same has been settled after one year but within three months from the end of the current period. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	62,798.59
Capital Work in Progress (CWIP)	26,401.34
Intangible assets (customer relationship)	11,059.22
Capital advances	36,581.70
Net working capital	(3,518.48)
Total Fair value of Net Assets acquired (A)	1,33,322.37
<i>Less: Consideration transferred</i>	
Cash paid (Reflected in cash flow under investing activities)	87,303.84
Cash consideration to be paid [Refer note 37 (C)]	1,102.33
CCPS [Refer note 15 (B) for details]	46,919.00
Total consideration paid (B)	1,35,325.17
Goodwill / (Capital Reserve) (excluding deferred tax liability) (B)-(A)	2,002.80
Deferred tax liability (Refer note 33)	2,783.38
Goodwill / (Capital Reserve)	4,786.18

Notes:

- Pursuant to the acquisition, the Company also executed a Transition Services Agreement (TSA) with the sellers whereby the sellers continued to facilitate the sale of ethanol to the customers on behalf of the Company alongside providing other relevant services to facilitate the business. The Sellers were paid a fixed service fee per litre of ethanol produced and sold aggregating to INR 141.21 lakhs (31 March 2023: 1,152.08 lakhs) which has been disclosed as part of the "other expenses" in note 32.
- On October 1, 2022, the Company under the Business Transfer Agreement (BTA) acquired the distillery business of three of its group companies, viz. Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited (collectively referred to as 'Sellers') under Slump Sale Agreements entered into separately with the said companies for an aggregate consideration of INR 1,35,325.00 lakhs.
- The said consideration was to be settled partly by issue of Compulsorily Convertible Preference Shares of INR 100/- each for an aggregate amount of INR 46,919.00 lakhs, and the balance consideration was to be settled by actual payment.



TruAlt Bioenergy Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

34 Business combinations (Contd.)

- (d) Since getting the transfer of the manufacturing (M2) license effected from each of the Sellers in the name of the Company, was going to be a time consuming process, in order to ensure an uninterrupted supply of ethanol to the Oil Companies the Sellers entered into a Transition Services Agreement (TSA) under which it was agreed by and between the Company and the Sellers that they would continue to manufacture ethanol under their respective licenses, however that they would be acting as agents on behalf of the Company under an principal-agent relationship. The manufacturing licenses of the Sellers were eventually transferred in the name of the Company on April 24, 2023.
- (e) Consequently, during the period from October 1, 2022, to March 18, 2023, the Sellers continued to bill the Oil Companies in their own name under their respective GST registrations and also continued to make purchases from the Vendors in their own name.
- (f) On March 19, 2023, the Sellers, with the concurrence of the Oil Companies, suspended the sale of ethanol to them, so as to enable the Oil Companies to onboard the Company as a supplier in place of the Sellers. The supplies were resumed by the Company in its own name after it obtained the M2 licenses for all the three distilleries on April 24, 2023.
- (g) The Company has, by virtue of the BTA and the TSA entered into with the Sellers, recognized the sale of Ethanol effected by the Sellers to the Oil Companies, during the period from October 1, 2022, to April 24, 2023, as its own revenue since the TSA has created a principal – agent relationship between the Company and the Sellers. Similarly, it has recognized all expenses incurred by the Sellers on the distillery business as its own. This is in accordance with the requirements of Ind AS 115 – Revenue from contracts with customers.

35 Earnings per share

Basic earnings per share 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 earnings per share are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the compulsorily 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 period attributable to equity holders of the parent	3,180.84	3,545.99
Less: Dividend on Compulsorily Convertible Preference Shares (Refer note 16)	(586.49)	(293.25)
Profit attributable to equity holders	<u>2,594.35</u>	<u>3,252.74</u>
Add: Interest on Compulsorily Convertible Preference Shares (Refer note 30)	3,132.86	1,395.24
Add: Dividend on Compulsorily Convertible Preference Shares (Refer note 16)	586.49	293.25
Profit attributable to equity holders adjusted for the effect of dilution	<u>6,313.70</u>	<u>4,941.23</u>
Weighted average number of equity shares for basic EPS	6,10,75,820	4,58,25,326
Weighted average number of equity shares for diluted EPS*	10,79,94,820	6,92,20,553
Basic earnings per share (INR)	4.25	7.10
Diluted earnings per share (INR) **	4.25	7.10

*The weighted average number of equity shares and potential equity shares for diluted EPS have been computed considering the CCPS issued pursuant to the acquisition of the distillery business as set out in note 34.

**Earning per share is anti-dilutive hence both Basic and Diluted earnings per share are equal for current and previous year.



TruAlt Bioenergy Limited
Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

36 Employee benefits

	31 March 2024	31 March 2023
(A) Defined Contribution Plans		
During the year, the Group has recognized the following amounts in the Statement of Profit and Loss		
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	113.25	33.52
(B) Defined benefit plans		
Gratuity Plan		
The employees' Gratuity Fund Scheme, which is a defined benefit plan, is unfunded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
i) Actuarial assumptions	31 March 2024	31 March 2023
Discount rate (per annum)	7.15%	7.45%
Rate of increase in Salary	7.50%	7.50%
Expected average remaining working lives of employees (years)	28 to 30	28
Attrition rate	7.50%	7.50%
ii) Changes in the present value of defined benefit obligation	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	62.17	-
Current service cost	34.41	15.41
Benefits paid	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.64	-
Actuarial (gain)/ loss on obligations	10.93	-
Past Service cost	-	46.76
On acquisition of subsidiary company	4.97	-
Present value of obligation at the end of the year*	117.12	62.17
*Included in provision for employee benefits (Refer note 19)		
iii) Expense recognized in the Statement of Profit and Loss	31 March 2024	31 March 2023
Current service cost	34.41	9.41
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.64	-
Past Service cost	-	2.60
Total expenses recognized in the Statement Profit and Loss	39.05	12.01
iv) Expense recognized in the Other Comprehensive Income for current year	31 March 2024	31 March 2023
Actuarial (gain)/loss on obligation for the year	10.93	-
Return on plan assets, excluding Interest Income	-	-
Change in asset ceiling	-	-
Net (Income)/Expense for the year recognized in OCI	10.93	-
v) Assets and liabilities recognized in the Balance Sheet:	31 March 2024	31 March 2023
Present value of unfunded obligation as at the end of the year	117.12	62.17
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	(117.12)	(62.17)
*Included in provision for employee benefits (Refer note 19)		



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Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

- vi) A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on defined benefit obligation	31 March 2024	31 March 2023
Discount rate		
1% increase	(11.10%) to (9.50%)	(8.80%)
1% decrease	11.30% to 13.30%	10.40%
Rate of increase in salary		
1% increase	11.10% to 13.10%	10.20%
1% decrease	(11.10%) to (9.60%)	(8.95%)
Mortality rate		
10% increase	0.00 %	0.00 %
10% decrease	0.00 %	0.00 %

vii) Maturity profile of defined benefit obligation	31 March 2024	31 March 2023
Expected future cash flows		
1 Year	6.84	4.07
2-5 years	36.86	21.81
6-10 years	52.54	30.43
More than 10 years	207.69	98.73

37 Related Party Disclosures:

- (A) Names of related parties and description of relationship as identified and certified by the Group:

- (i) **Affiliates - Companies in which Key Management Personnel (KMP) have significant influence:**

Badami Sugars Limited*
Shri Sai Priya Sugars Limited*
Nirani Sugars Limited*
MRN Cane Power India Limited*
Shree Kedarnath Sugar And Agro Products Limited*
MRN Chamundi Canepower and Biorefineries Private Limited*

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on January 10, 2024, these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company, MRN Chamundi Canepower and Biorefineries Limited. On July 15, 2024, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.

- (ii) **KMP**

Vijaykumar Murugesh Nirani, Managing Director
Debnath Mukhopadhyay, Chief Financial Officer with effect from May 08, 2023
Sannapaneni Sudheer, Company Secretary with effect from July 01, 2023 upto July 22, 2024
Mohith Kumar Khandelwal, Company Secretary with effect from July 22, 2024
Durairaj Anand Murugan Jakkampati, Director with effect from December 06, 2023
Vishal Nirani, Director
Sushmitha Vijaykumar Nirani, Director with effect from September 18, 2023
Chandrasekhar Kanekal, Director with effect from September 18, 2023
Sangamesh Rudrappa Nirani, Director effective upto September 18, 2023
Mallikarjun Bhimappa Dyaberi with effect from December 6, 2023
Yagati Badarinarayana Ramakrishna with effect from December 26, 2023



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(B) Details of transactions with related party in the ordinary course of business for the year ended:

	31 March 2024	31 March 2023
Sale of power and chemicals		
- Nirani Sugars Limited	3.72	1.01
- Shri Sai Priya Sugars Limited	17.95	61.86
-MRN Chamundi Canepower and Biorefineries Private Limited	115.02	
- MRN Cane Power India Limited	695.68	440.42
Total	832.37	503.29
Purchase of raw material		
- Nirani Sugars Limited	23,383.86	13,774.58
- Badami Sugars Limited	3,621.68	3,421.02
- Shree Kedarnath Sugar & Agro Products Limited	5,838.01	1,194.44
- Shri Sai Priya Sugars Limited	21,818.18	29,511.91
- MRN Cane Power India Limited	9,054.95	10,400.56
-MRN Chamundi Canepower and Biorefineries Private Limited	20,943.54	-
Total	84,660.22	58,302.51
Purchase consideration paid in cash (Refer note 34)		
- Nirani Sugars Limited	-	40,906.00
- MRN Cane Power India Limited	-	18,716.09
- Shri Sai Priya Sugars Limited	-	27,681.75
-Vijaykumar Murugesh Nirani, Managing Director	845.76	-
Total	845.76	87,303.84
Issue of CCPS (Refer note 15)		
- Nirani Sugars Limited	-	14,094.00
- MRN Cane Power India Limited	-	10,300.00
- Shri Sai Priya Sugars Limited	-	22,525.00
Total	-	46,919.00
Service fees (Refer note 32)		
- Nirani Sugars Limited	63.06	309.15
- MRN Cane Power India Limited	25.67	286.68
- Shri Sai Priya Sugars Limited	52.48	556.30
Total	141.21	1,152.13
Corporate guarantee charges		
- Nirani Sugars Limited	-	6.16
Total	-	6.16
Issue of shares*		
- Vijaykumar Murugesh Nirani	-	891.14
- Vishal Nirani	-	890.34
- Sushmitha Vijaykumar Nirani	-	840.00
- Sangamesh Rudrappa Nirani	-	900.00
Total	-	3,521.48

*During the year ended 31 March 2023, the Company issued equity shares through a right issue. The cash consideration was adjusted against the loan amount, including accrued interest. Refer note 15 (A) (viii).



TruAlt Bioenergy Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

	31 March 2024	31 March 2023
Dividend on CCPS (Refer note 16)		
- Nirani Sugars Limited	174.81	88.09
- MRN Cane Power India Limited	128.75	64.38
- Shri Sai Priya Sugars Limited	281.56	140.78
Total	585.12	293.25
Remuneration paid to KMP		
-Debnath Mukhopadhyay	95.39	-
-Sannapaneni Sudheer	17.98	-
- Vijaykumar Murugesh Nirani	102.62	-
- Durairaj Anand Murugan Jakkampati	14.79	-
- Sushmitha Vijaykumar Nirani	1.50	-
- Chandrasekhar Kanekal	1.50	-
- Mallikarjun Bhimappa Dyaberi	1.50	-
- Yagati Badarinarayana Ramakrishna	1.00	-
Total	236.28	-
Interest paid on loan from related party		
-Vijaykumar Murugesh Nirani, Managing Director	8.36	-
Total	8.36	-
Rent expense	13.50	-
- Nirani Sugars Limited	13.50	-
Total		
Purchase of land		
- Shree Kedarnath Sugar & Agro Products Limited	801.12	-
Total	801.12	-

(C) Amount (due to)/from related party as on:

	31 March 2024	31 March 2023
Trade payables to related party (Refer Note 22)		
- Badami Sugars Limited	-	(16.23)
- Shree Kedarnath Sugar And Agro Products Limited	-	(231.73)
- Nirani Sugars Limited	(370.73)	(12,344.70)
- MRN Cane Power India Limited	-	(1,630.42)
- Shri Sai Priya Sugars Limited	(1,177.33)	(8,173.40)
-MRN Chamundi Canepower And Biorefineries Private Limited	(9,630.92)	-
Total	(11,178.98)	(22,396.48)

Receivable/(Payable) towards purchase consideration to related parties (Refer note 34)

- MRN Cane Power India Limited	-	16.09
- Shri Sai Priya Sugars Limited	-	(1,118.25)
Total	-	(1,102.16)

Balance dues from/(to) related parties for transactions undertaken on behalf of the Group

- Nirani Sugars Limited**	(7,615.25)	(5,034.53)
- MRN Cane Power India Limited	242.31	(446.96)
- Shri Sai Priya Sugars Limited	(1,446.99)	758.70
Total	(8,819.93)	(4,722.79)

*Partial amount pertains to transactions in relation to the distillery business from acquisition date till April 25, 2023 were undertaken by the Sellers on behalf of the Company. Such transactions mainly include sale of ethanol to OMCs and payment of salary to employees. The balance disclosed here represents the net balance due from / (to) the sellers on account of this arrangement (Refer note 23).

**It includes rent payable of INR 4.05 lakhs (31 March 2023 - Nil)



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	31 March 2024	31 March 2023
Receivable from related parties (Refer note 12)		
- Nirani Sugars Limited	-	1,823.17
- MRN Cane Power India Limited	-	1,141.59
- Shri Sai Priya Sugars Limited	-	606.51
Total	-	3,571.27
Payable to related parties		
- Debnath Mukhopadhyay	(17.33)	-
- Sannapaneni Sudheer	(1.89)	-
- Vijaykumar Murugesh Nirani	(27.02)	-
- Durairaj Anand Murugan Jakkampati	(1.18)	-
Total	(47.42)	-
Dividend payable		
- Nirani Sugars Limited	(174.81)	(88.09)
- MRN Cane Power India Limited	(128.75)	(64.38)
- Shri Sai Priya Sugars Limited	(281.56)	(140.78)
Total	(585.12)	(293.25)
Payable towards purchase of land		
- Shree Kedarnath Sugar & Agro Products Limited	(801.12)	-
	(801.12)	-

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the end of reporting period are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

38 Segment reporting

The Group's is primarily engaged in the business of manufacturing, selling of ethanol and compressed biogas and other products derived from distillery processes. As such, the Group operates in a single segment and there are no separate reportable segments. The same is basis confirmation received from the Chief Operating Decision Maker (CODM).



39 Disclosures of financial instruments

The Group subsequently measured financial assets and liabilities at amortised cost and therefore there are no financial instruments which are subsequently measured at fair value except investment in mutual funds. The financial liabilities primarily relates to floating rate borrowings. The management has assessed that fair value of financial assets and financial liabilities except investment in mutual funds, is not significantly different from its amortised cost.

39.1 Financial assets and liabilities

The following tables presents the carrying value and fair value of each of financial assets and liabilities:

	31 March 2024	31 March 2023
(a) Financial assets measured at fair value through profit and loss		
Investment in mutual funds - Unquoted	1,000.02	-
(b) Financial assets measured at amortized cost		
Trade receivables	29,821.34	8,654.24
Cash and cash equivalents	2,335.04	477.91
Bank balance other than Cash and Cash Equivalents	5.00	-
Other financial assets	587.99	16,935.86
(c) Financial liabilities measured at amortized cost		
Liability component of Compulsorily convertible preference shares (Refer note 21 & 17)	31,813.25	28,680.40
Borrowings (non-current) (Refer note 17)	97,958.23	78,352.89
Current maturity of long-term borrowings (Refer note 21)	13,241.33	7,976.64
Borrowings (current) (Refer note 21)	25,455.37	-
Trade payables (Refer note 22)	15,362.39	30,872.40
Other financial liabilities (Refer note 18 and 23)	20,044.41	6,308.50

39.2 Fair value measurements

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Financial assets/Financial liabilities	Fair Value hierarchy	Fair Value as at	
		31 March 2024	31 March 2023
Financial assets:			
Investment in mutual funds - Unquoted	Level 1	1,000.02	-

Notes:

- 1 There have been no transfers between Level 1 and Level 2 during the year.
- 2 No financial liabilities subsequently measured at fair value.



TruAlt Bioenergy Limited**Notes to the consolidated financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees Lakhs, unless otherwise stated)

40 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax (INR)
31 March 2024		
INR	+40	(377.95)
INR	-40	377.95
31 March 2023		
INR	+40	(6.43)
INR	-40	6.43

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to the invoices of GBP 5,000 and CHF 125,000 for services availed from Specialist Insight Limited and World Economic Forum, Switzerland respectively.

The Company does not hedge the foreign currency exposure.

Foreign currency sensitivity:

As at March 31, 2024, net unhedged exposure of the Group to foreign currency asset and liabilities is as follows:

Currency	Assets as at		Liabilities as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Great Britan Pound			5,000.00	
Swiss Franc	-	-	1,25,000.00	-

5% increase and decrease in the foreign exchange rates will have the following impact on profit before tax:

Particulars	Sensitivity analysis assets		Sensitivity analysis liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Increase by 5%				
Great Britan Pound (GBP)	-	-	(250.00)	-
Swiss Franc	-	-	(6,250.00)	-
Decrease by 5%				
Great Britan Pound (GBP)			250.00	
Swiss Franc	-	-	6,250.00	-



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(B) Commodity price risk

The Group is exposed to commodity price risk as operates in production and selling of ethanol to customers. The ethanol prices are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

(C) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Group conduct thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. The Group's ethanol sales are primarily made to Public Oil Marketing Companies ("OMCs") thereby the credit default risk is significantly mitigated. Further, the Group keeps a close watch on the realisation of the outstanding amounts which are collected within 12 months and has not experienced any significant default.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk, except for trade receivables.

Trade receivables including retention money

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit terms of 21 to 27 days. The Group follows 'simplified approach' for recognition of loss allowance on Trade receivables. An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Group does not hold collateral as security. Given that the trade receivables are from public sector OMC companies, no credit risk is observed and the payments are usually settled within one year and therefore the loss from time value of money is also not significant. Accordingly, no loss allowance is computed for the year ending March 31, 2024.

The customers retain 3% of the invoice amount which is settled at the end of the season which is typically within a year. Retention money that is not settled within a year is tested for impairment. The provision amount is determined by company-set parameters in its provisioning policy. However, no loss allowance for retention money is recognised as of March 31, 2024.

The ageing analysis of trade receivables as of the reporting date is as follows:

	March 31, 2024	March 31, 2023
Up to 6 months	29,786.78	8,386.23
More than 6 months	34.56	268.00

(D) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

	Less than 12 months	1 to 5 years	More than 5 years	Total
31 March 2024				
Borrowings*	38,696.70	72,912.02	25,046.21	1,36,654.93
Trade payables	15,362.39	-	-	15,362.39
Other financial liabilities	20,044.01	0.40	-	20,044.41
	74,103.10	72,912.42	25,046.21	1,72,061.73
31 March 2023				
Borrowings*	7,976.64	66,000.00	12,352.89	86,329.53
Trade payables	30,872.40	-	-	30,872.40
Other financial liabilities	5,188.59	1,120.40	-	6,308.99
	44,037.63	67,120.40	12,352.89	1,23,510.92

*Borrowings is excluding CCPS - financial liability as it will be settled by issuing variable number of equity shares (Refer note 15 (B)). Borrowings have quarterly instalments payments.



TruAlt Bioenergy Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

41 Title deeds of Immovable Properties not held in name of the Group

The Group does not have any immovable property, whose title deeds are not held in name of the Group.

42 Details of Benami Property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

43 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

44 Registration of charges or satisfaction with Registrar of Companies

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

45 Utilisation of Borrowed funds and share premium:

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

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

(ii) The Group has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

46 Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous year.

47 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

48 Crypto Currency

The Group has not traded or invested in crypto currency or virtual currency during the year.

49 Wilful Defaulter

The Group is not declared as wilful defaulter by any Bank or Financial Institution or Other lenders.



TruAlt Bioenergy Limited
Notes to the consolidated financial statements for the year ended 31 March 2024
(Amount in Indian Rupees Lakhs, unless otherwise stated)

50 Group information

Name of the Entity	Net assets (total assets-total liabilities)		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amounts	As a % of consolidated profit or loss	Amounts	As a % of consolidated other comprehensive income	Amounts	As a % of total comprehensive income	Amounts
Parent								
TruAlt Bioenergy Limited	101.72%	26,916.34	108.81 %	3,461.13	94.46% (7.77)		108.85 %	3,453.36
Indian Subsidiary								
Leafiniti Bioenergy Private Limited	1.18%	313.33	(8.32%)	(264.61)	5.54 % (0.46)		(8.35%)	(265.07)
Non-controlling interest	0.00%	-	0.00 %	-	0.00 %			
Total eliminations/ consolidation adjustment	(2.90%)	(768.96)	(0.49%)	(15.68)	0.00%		(0.50%)	(15.68)
Total	100.00%	26,460.71	100.00%	3,180.84	100.00% (8.23)		100.00%	3,172.61

51 Undisclosed income

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year ended March 31, 2024 and year ended March 31, 2023 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).

52 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, compulsorily convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group has not distributed any dividend to its shareholders. The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and term from SBI, IREDA and Canara Bank. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Equity		
CCPS (Equity element - Refer note 15 (B) (ii))	6,107.58	6,107.58
Total equity	14,690.38	14,690.38
Borrowings other than CCPS	20,797.96	20,797.96
CCPS (Financial liability - Refer note 15 (B) (iii))	1,36,654.93	86,329.53
Less: Cash and cash equivalents	31,813.25	28,680.40
Total debt	(2,335.04)	(477.91)
Total financing	1,66,133.14	1,14,532.02
Gearing ratio	1.86/931.10	1.35/329.98
	0.89	0.85

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 as compared to year ended March 31, 2023.



TruAlt Bioenergy Limited**Notes to the consolidated financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees Lakhs, unless otherwise stated)

53 Assets Pledged as Security

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

	Notes	31 March 2024	31 March 2023
Current assets			
Inventories	8	15,948.42	15,348.50
Trade receivables	9	29,821.34	8,654.24
Cash and cash equivalents	10.1	2,335.04	477.91
Total Current assets pledged as security		48,104.80	24,480.65
Non-Current assets			
Freehold land	5	6,691.82	4,673.12
Building	5	11,428.24	11,338.03
Plant and machinery	5	1,09,276.09	98,624.27
Total Non-Current assets pledged as security		1,27,396.15	1,14,635.42
Shares pledged*		1,560.23	1,560.23
Total Assets pledged as security		1,77,061.18	1,40,676.30

Notes:

- (a) *As per the Facility Agreement dated February 21, 2023, the company availed term loan facility from Union Bank of India and India Renewable Energy Development Agency Limited (referred to as the "Original Lenders") against which 1,56,02,293 equity shares were pledged for Original Lenders. Subsequently, the term loan facility was taken over by State Bank of India and India Renewable Energy Development Agency Limited (referred to as the "New Lenders") under a new Facility Agreement dated February 23, 2024. Upon transition from Original Lenders to New lenders, 1,56,02,293 equity shares which were previously pledged for Old Lenders were temporarily released on March 14, 2024 and subsequently 1,58,80,000 shares were repledged for New Lenders on 24 April, 2024.
- (b) Sanctioned limit with SBI, IREDA has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstanding's, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire movable fixed assets and current assets (present and future) of the borrower.
- (c) Sanctioned limit with Canara bank has been secured by hypothecation of first charge on immovable assets of Leafiniti Bioenergy Private Limited.
- (d) The quarterly return/ statement of current assets filed by the Group with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts.

54 Commitments

Particulars	31 March 2024	31 March 2023
Estimated Amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	15,424.57	-



TruAlt Bioenergy Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(Amount in Indian Rupees Lakhs, unless otherwise stated)

55 Contingent liabilities and contingent assets

The Group does not have any contingent liabilities and contingent assets as at the end of March 31, 2024 and March 31, 2023.

56 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Group will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

57 Subsequent events

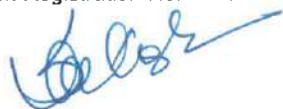
The Board of Directors of the Company at its meeting held on May 03, 2024 approved allotment of 95,55,804 fully paid up equity shares for the purpose of converting the Compulsorily Convertible Preference Shares (CCPS) of the Company aggregating to INR 46,919.00 lakhs, at an issue/conversion price of INR491 per equity share.

58 Figures for previous year have been regrouped / reclassified wherever considered necessary and are not material to these consolidated financial statements.

As per our report of even date

For N. M. Raiji & Co.,
Chartered Accountants

Firm Registration No. : 108296W



Santosh Burande

Partner

Membership No. : 214451

Place: Bengaluru

Date: August 03, 2024



For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited

CIN: U15400KA2021PLC145978



Vijaykumar Murugesh Nirani
Director
DIN: 07413777



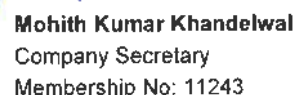
Vishal Nirani
Director
DIN: 08434032



Deb Nath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru

Date: August 03, 2024



Mohith Kumar Khandelwal
Company Secretary
Membership No: 11243