



ANNUAL REPORT 2022-2023

Growth and Resilience

Creating Promising Future

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Annual Report

2022-2023

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A: Strategic Overview

A.1 Banka Bio: Sustainability and Social Impact

In a world grappling with environmental challenges and socio-economic inequalities, companies that prioritize these aspects stand out as beacons of change.

Sustainability and social impact have become integral components of business strategies in the 21st century. In a world grappling with environmental challenges and socio-economic inequalities, companies that prioritize these aspects stand out as beacons of change and hope. Banka Bio, a leading water, sanitation, and hygiene (WaSH) infrastructure company, exemplifies this commitment to sustainability and social impact in the WaSH sector.

Banka Bio, firmly, believes that its success is intertwined with the well-being of the communities it serves, and the environment it operates in. By embracing sustainability and social impact as core principles, Banka Bio strives to

make a positive difference, not only through its innovative products and services but also through its actions and engagements.

Sustainability lies at the heart of Banka Bio's operations and solutions. The company recognizes the urgent need to address environmental concerns such as water scarcity, pollution, and climate change. By incorporating sustainable practices throughout its value chain, Banka Bio minimizes its ecological footprint, and fosters long-term environmental conservation.

Banka Bio's commitment to social impact extends beyond its environmental efforts. The company recognizes its role in addressing

socio-economic inequalities, and improving the quality of life for marginalized communities. Through its projects and initiatives, Banka Bio strives to empower individuals, promote inclusivity, and enhance community well-being, more so the marginalized and vulnerable populations.

Banka Bio invests in infrastructure development to provide equitable access to water and sanitation facilities. The company partners with governments, non-profit organizations, businesses, and communities to implement sustainable WaSH projects in unserved and underserved areas. By constructing wastewater treatment plants, installing sanitation facilities, and developing reliable water supply systems, Banka Bio enhances the quality of life for communities, particularly those facing water-borne diseases and inadequate sanitation conditions.

Banka Bio's social impact initiatives also focus on empowering women and promoting gender equity. The company recognizes that women, often, bear the primary responsibility for water collection and sanitation management in many communities. By imple-

menting gender-inclusive programs and engaging women in decision-making processes, Banka Bio promotes women's empowerment, enhances their social standing, and contributes to more equitable societies. Through its solutions, Banka Bio ensures security, enhances dignity, and improves health-hygiene for women and girls, at homes, in schools, at worksites, in communities and wherever they be.

The impact of Banka Bio's sustainability and social initiatives extend far beyond its immediate sphere of influence. By creating sustainable and inclusive models, the company inspires others in the WaSH sector to prioritize social responsibility and environmental stewardship. Banka Bio, actively, shares its knowledge, experiences, and best practices with industry peers, encouraging collaboration and collective action towards a more sustainable future. Banka Bio serves as a role model for businesses, demonstrating that sustainable practices and social responsibility can go hand in hand, creating lasting impact for the betterment of people and the planet.

A.2 Environmental Stewardship in the 21st Century: A Crucial Imperative for WaSH Companies

In the 21st century, environmental stewardship has emerged as a critical responsibility for businesses across the globe. As a leading Water, Sanitation, and Hygiene (WaSH) company in India, BANKA BIO recognizes the imperative to integrate sustainable practices into our operations. Environmental stewardship lies at the heart of our commitment to building a healthier, greener future for generations to come.

The Importance of Environmental Stewardship:

The world is facing pressing environmental challenges, including climate change, resource depletion, and pollution. These issues directly impact the availability and quality of water, sanitation, and hygiene services. As a responsible WaSH company, we acknowledge that our activities can contribute to either exacerbating or mitigating these challenges. By embracing environmental stewardship, we can play a crucial role in

safeguarding the environment and preserving natural resources.

Sustainable Water Management:

Water scarcity is a pressing concern, not alone in India but across the globe, where water stress is prevalent in many regions. BANKA BIO recognizes the need to adopt sustainable water management practices. This includes optimizing water usage within our operations, and promoting water conservation

among our customers and communities. By conserving and efficiently utilizing water resources, we contribute to long-term water security for communities and ecosystems.

Eco-friendly Product Development:

Innovation plays a pivotal role in environmental stewardship. We invest in research and development to create eco-friendly products and solutions that minimize environmental impact. Our focus is on developing energy-efficient water treatment technologies, low-flush sanitation systems, and biodegradable hygiene products. By integrating sustainable design principles into our product development, we strive to deliver solutions that are both effective and environmentally friendly, ensuring a sustainable future for the WaSH sector.

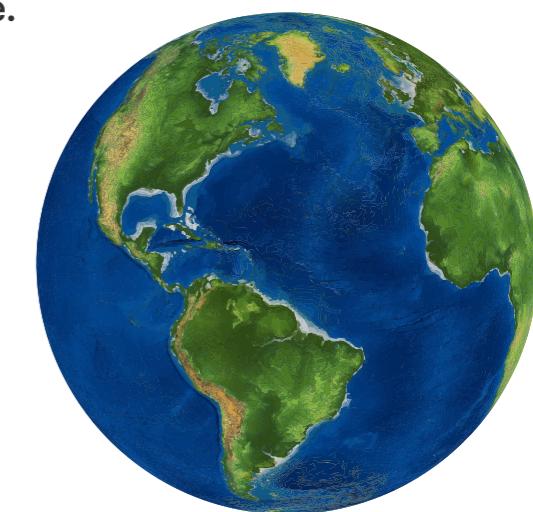
Collaboration and Advocacy:

Environmental stewardship cannot be achieved in isolation. We actively collaborate with governmental and non-governmental organizations, industry peers, and communities to advocate for sustainable policies, promote environmental awareness, and drive collective action. By participating in in-

dustry forums, sharing best practices, and engaging in dialogue with stakeholders, we foster a culture of environmental responsibility and contribute to shaping a sustainable WaSH landscape in India.

Conclusion:

Environmental stewardship is no longer an option but a fundamental responsibility for companies in the 21st century. As a leading WaSH company in India, we are committed to integrating sustainable practices into our operations, products, and services. By embracing sustainable water management, responsible waste management, and eco-friendly product development, we can contribute to a healthier environment, water security, and a more sustainable future for all. Together, let us prioritize environmental stewardship and build a better world for generations to come.





A.3

Vision

Save and improve
lives by providing
sustainable water and
sanitation solutions to
one and all.

Mission

To touch lives of 10 million+
people globally by creating
innovative and sustainable
solutions and services for
the future.







Team Work



Growth Focused



Persistent



Highest Standards



We are implementing strategies that can steer the Company to new direction of sustainability leadership.

A.5 Letter from The Chairman and Managing Director

Dear Shareholders, Customers, and Stakeholders,

At Banka Bio, we believe that access to clean water, improved sanitation, and effective hygiene practices are fundamental human rights. Our purpose is rooted in our commitment to making a positive impact on individuals, communities, and the environment. This annual report showcases our progress in fulfilling that commitment and reinforces our determination to tackle the challenges ahead.

Over the past year, we have expanded our footprint, working tirelessly to reach underserved areas and communities in need. Our team of dedicated professionals, armed with expertise and compassion, has been at the forefront of delivering WaSH services that transform lives. From implementing water purification systems to constructing sustainable sanitation facilities and promoting hygiene education, we have been instrumental in improving the well-being of countless individuals.

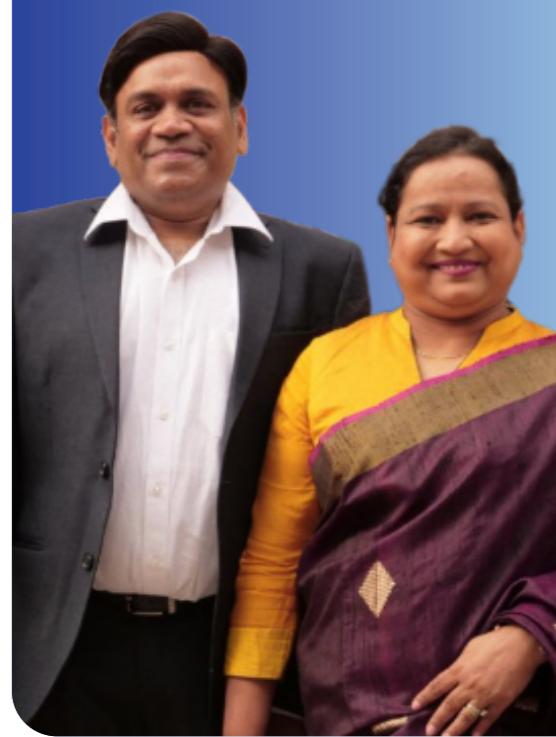
At Banka Bio, embracing innovation is a cornerstone of our approach. We continually explore new technologies, methodologies, and best practices to enhance the efficiency and effectiveness of our WaSH solutions. By investing in research and development, we strive to deliver cutting-edge services that optimize resources, reduce environmental impact, and address the evolving needs of our clients and the communities we serve.

As we look to the future, we are committed to expanding our reach and impact, both domestically and globally. We will continue to foster strategic partnerships, collaborate with stakeholders, and advocate for policies that prioritize WaSH services on national and international agendas. Our aim is to scale our operations and maximize our contributions towards achieving the United Nations Sustainable Development Goals, particularly those related to water, sanitation, and hygiene.

Thank you for your ongoing partnership and for joining us on this transformative journey. Together, let us forge ahead and make a meaningful difference in the lives of people around the world.

Sanjay Banka
Executive Chairman

Namita Banka
Managing Director



A.6

Letter from The CEO



Dear Valued Stakeholders,

It is with great pleasure that I present our annual report, highlighting the significant strides we have made over the past year and our vision for the future.

We have always believed in the power of innovation and responsible business practices to create a positive impact on society and the environment. Our journey has been marked by a relentless commitment to addressing pressing challenges in the WaSH sector, particularly in the areas of rural sanitation.

Bio toilets have been one of our flagship solutions, and we take immense pride in the transformative impact they have had on millions of lives. By leveraging cutting-edge technologies, licensed by DRDO, we have provided safe and hygienic sanitation facilities in remote areas and communities with limited access to conventional infrastructure. These bio toilets have not only improved public health but have also contributed to environmental conservation by ensuring the proper treatment and disposal of human waste.

In our continued pursuit of excellence, I am delighted to announce the launch of two groundbreaking products that further reinforce our commitment to sustainable solutions. The first is our new line of water treatment plants, designed to provide communities and industries with access to clean, safe, and sustainable water sources. With water scarcity becoming an increasingly critical issue, our advanced water treatment plants employ innovative filtration and purification processes to ensure the availability of potable water while minimizing environmental impact.

The second product we are introducing is our range of compostable biopolymers. As a responsible corporate citizen, we recognize the urgent need to address the global plastic waste crisis. Our compostable biopolymers offer a viable alternative to single-use plastics, reducing dependence on non-biodegradable materials and preventing environmental pollution. By promoting the adoption of these biopolymers across various industries, we aim to create a paradigm shift towards a more sustainable and circular economy.

As we embark on this exciting new phase with our water treatment plants and compostable biopolymers, we reaffirm our commitment to innovation, sustainability, and social responsibility. We will continue to invest in research and development, forge strategic collaborations, and embrace emerging technologies to meet the evolving needs of our customers and contribute to a more sustainable future.

None of our accomplishments would have been possible without the dedication and commitment of our exceptional team members. I extend my sincere gratitude to each and every one of them for their hard work, passion, and unwavering commitment to our shared vision. I am also grateful to our customers, whose trust and support have been vital in driving our success.

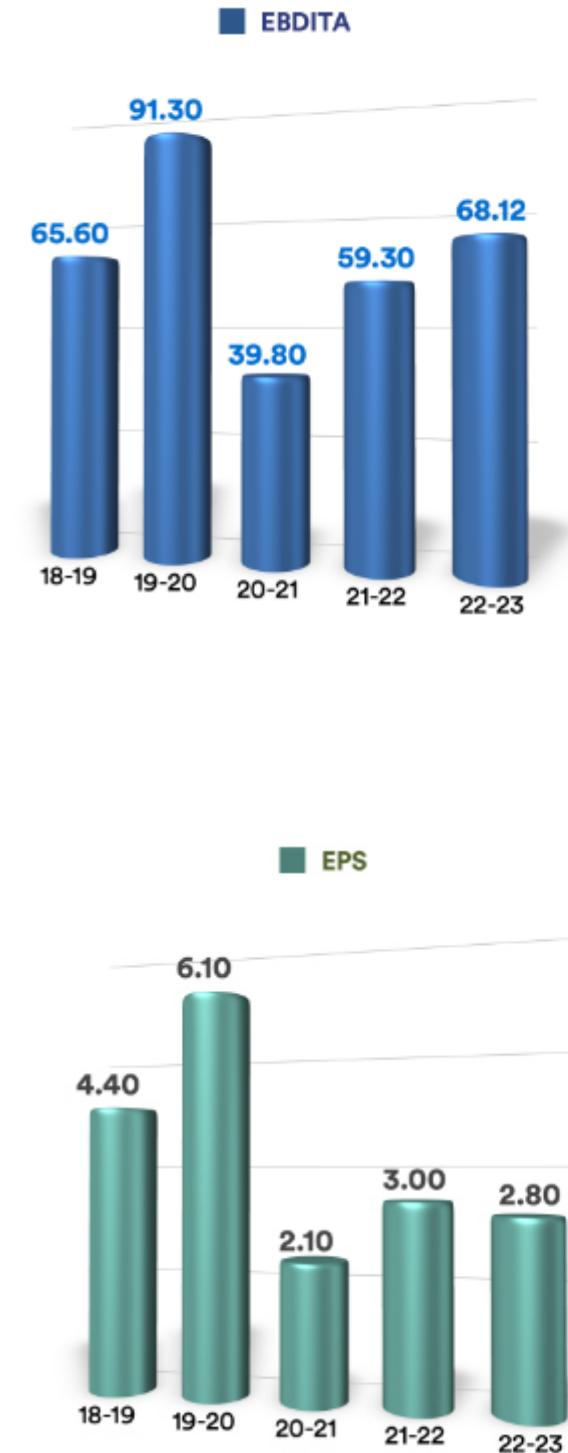
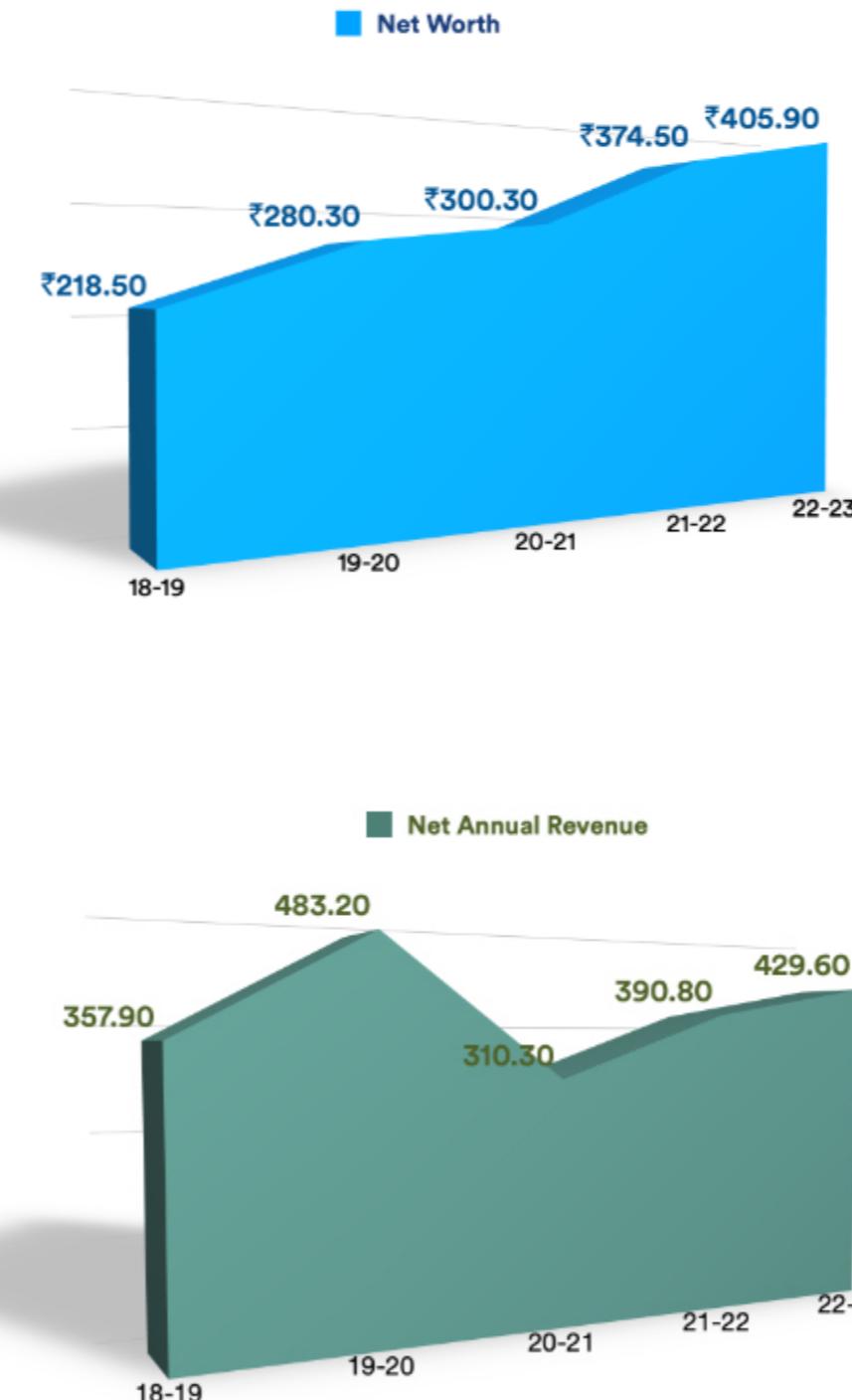
In conclusion, I want to express my heartfelt gratitude to everyone who has been part of Banka Bio's remarkable journey. Together, let us continue to pave the way for a world where sustainable solutions, responsible practices, and social impact go hand in hand, leaving a lasting legacy for generations to come.

Vishal Muraraka
Chief Executive Officer



A.7 Financial Highlights

| Items | Key Financial Metrics (In Rs. millions) | | |
|----------------------|---|---------|---------|
| | 2022-23 | 2021-22 | 2020-21 |
| Total Assets | 625.71 | 596 | 463.73 |
| Current Assets | 376.28 | 393.87 | 359.97 |
| External Liabilities | 219.82 | 221.45 | 163.43 |
| Current Liabilities | 159.28 | 140.24 | 91.94 |
| Profits Before Taxes | 41.47 | 32.6 | 18.7 |
| Profits After Taxes | 30.76 | 30.59 | 22.06 |
| Net Worth | 405.89 | 374.55 | 300.3 |
| Liquidity | 216.99 | 253.63 | 268.03 |
| Gross Annual Revenue | 482.55 | 445.92 | 356.65 |
| Net Annual Revenue | 429.55 | 390.8 | 310.3 |



A.8 Corporate Information

Board of Directors

Executive Directors

Mr. Sanjay Banka
(Executive Chairman)

Ms. Namita Sanjay Banka
(Managing Director)

Mr. Vishal Murarka
(Chief Executive Officer & Executive Director)

Mr. Akhilesh Kumar Tripathi
(Executive Director)

Mr. Venkata Rama Krishna Tadepalli
(Chief Financial Officer & Executive Director)

Non-Executive Directors

Mr. Sanjay Kumar Gangwar
(Independent Director)

Mr. Kamalesh Sekhar
(Independent Director)

Mr. Basava Raju Dumpala
(Independent Director)

Ms. Aparajita Agrawal
(Independent Director)

Mr. Anil Sharma
(Independent Director)

Company Secretary

Ms. Archana Arigela
(Company Secretary & Compliance Officer)

Statutory Auditors
PRSV & Co. LLP
Chartered Accountants

Secretarial Auditors
P. S. Rao & Associates
Practicing Company Secretaries

Internal Auditors
M H A & Associates LLP

Registrar & Share Transfer Agent
Bigshare Services Pvt Ltd
306, Right Wing, 3rd Floor,
Amrutha Ville,
Opp. Yashoda Hospital,
Somajiguda,
Rajbhavan Road,
Hyderabad – 500082



Registered Office

A-109, Express Apartments, Lakdi ka Pool
Hyderabad – 500004

Corporate Office

5th floor, Prestige Phoenix, 1405,
Uma Nagar, Begumpet, Hyderabad – 500016

Contact Details

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Section B: **Management Discussions and Analysis**



B.1 Company's Business Structure:

Banka Bio is committed to a forward-looking strategy characterized by a dynamic, responsible approach aimed at achieving profitable growth. We are dedicated to expanding and solidifying our position as market leaders.

Our investments are carefully directed towards introducing innovative, sustainable products and solutions tailored to local operating conditions. We execute our growth strategy through strategic partnerships with select companies, both domestic and international, as well as leveraging our in-house R&D capabilities. Our track record in the industry is distinguished by a consistent delivery of high-quality products and services, resulting in strong relationships and trust among our existing clients, leading to a substantial rate of repeat business. We have full confidence that our new product offerings will continue to drive robust revenue growth. Banka Bio's vision includes the development of three key segments, with a primary focus on Waste Management (including bio-toilets and FSTP), Wastewater Treatment/Management, and Water Conservation.

Banka Bio is building three segments with focus towards:

1. Bio-Waste Management (bio-toilets, FSTP)
2. Wastewater Treatment/Management, and
3. Water Conservation

i. FSTP (Faecal Sludge Treatment Plant):

All the state government under the Swachh Bharat Mission-2 mission has put Faecal Sludge Management (FSM) as one of the four focus areas. The overall potential is in the tune for INR +4,000 crore. BBL will continue to focus on the states of Telangana, and AP, and expand scope for development in nearby states of Odisha, Tamil Nadu, and Karnataka to realize better efficiencies of scale.

Bio-toilets:

There exists huge, untapped potential for bio-digester based faecal waste treatment system. Given the government's emphasis on the Swachh Bharat Mission and ODF++ initiative, BBL will persist in deploying bio-toilets for the purpose of rural and decentralized fecal waste management.

ii. Wastewater Treatment (STP/PSTP/ETP) :

India is facing a large deficit in water, necessitating massive investments in water supply and treatment systems.

- Water demand for domestic use will more than double by 2030, and the increased water consumption is driven by strong growth of middle-income segments.
- Increased demand drives wastewater treatment demand as well as water supply.
- The urban wastewater treatment market is highly fragmented with top 10 players consisting of only ~20% market share, expected consolidation of suppliers.
- Favorable government policies for wastewater disposal, and policies around National Water Mission will drive growth in this sector.
- EPC and private PPP opportunities will unfold for Urban wastewater treatment.
- The PPP/BOT opportunity for water treatment over the next five years main for urban/domestic clients i.e., residential, commercial and industrial.

iii. Water Conservation:

Water is scarce and Banka Bio plans to contribute towards water conservation. Banka Bio has introduced innovative water saving WC that will save 75% of water used for daily flushing requirements. The product will be offered for sale to railways, real- estate development companies, commercial complex owners, colleges, and school.

B.2

Growth and Resilience

Continued innovation, collaboration, and growth velocity give us confidence in the sustainability of our business momentum. We are in the midst of new product launch cycles that provides strong, structural growth drivers for the next few years.

While evolving market dynamics may prompt reprioritizing of programs, we are confident that spending in sustainability solutions will continue to grow. That growth and our expanding market share give us confidence of being able to sustain a certain base case growth, with room to maximize in better years.

In our journey to that next logical milestone, we are focused on not only our velocity, but also on ensuring we get there fighting fit, so it does not become a finish line to stumble across, but a launchpad to achieve even greater heights. For this to happen we are focusing on to create a more balanced portfolio in sustainability solutions, so we have strong growth engines for the journey ahead. For this, we want to build on our initial successes in the WaSH opportunity, and put in place a structured way to deepen existing innovation and transformation engagements, while expanding the number of clients for whom we provide such services. We are rolling out a new products that will help us achieve these new imperatives.

This new growth pipeline, along with continued investments in building newer capabilities, in building our brand, will help us deepen our customer relationships, expand our sustainability market, gain market share and power growth in the years ahead.



B.3 Growth Strategies:

Banka Bio, a pioneering player in India's WaSH industry, is strategically expanding its operations into the water treatment and biopolymer sectors. This bold move aligns with the increasing global emphasis on sustainable practices and environmentally-friendly solutions. As the world faces mounting challenges related to water scarcity, pollution, and the need for sustainable materials, Banka Bio is poised to become a key player in addressing these issues.

1. Innovative Research and Development (R&D): Banka Bio's success will hinge on its ability to develop cutting-edge technologies and solutions. By investing in R&D, the company can create novel water treatment processes that are efficient, cost-effective, and environmentally responsible. Similarly, advancing biopolymer research can result in sustainable alternatives to traditional plastics, catering to the growing demand for eco-friendly materials.

2. Partnerships and Collaborations: To accelerate growth and enhance capabilities, Banka Bio should forge strategic partnerships with research institutions, universities, and other industrial players. Collaborations can facilitate knowledge exchange, joint R&D efforts, and access to a broader pool of expertise, driving innovation in both water treatment and biopolymer development.

3. Market Diversification: As Banka Bio ventures into the water treatment and biopolymer sectors, it should identify diverse market segments and tailor its offerings accordingly. This could involve targeting industries such as agriculture, municipal water management, manufacturing, and packaging. Diversification reduces risks associated with overdependence on a single market.

4. Sustainability as a Core Value: Given the global focus on sustainability, Banka Bio should position itself as a company that prioritizes environmental responsibility. This can be achieved by adopting green practices within its operations, minimizing waste and energy consumption, and promoting the recyclability of its biopolymer products.

5. Regulatory Compliance and Certifications: Compliance with water quality and environmental regulations is critical for success in the water treatment industry. Banka Bio should ensure its solutions adhere to local and international standards, obtaining the necessary certifications to build trust among customers and regulatory bodies.

6. Marketing and Awareness Campaigns: Educating the market about the benefits of Banka Bio's water treatment and biopolymer solutions is vital. Investing in marketing and awareness campaigns will help create a strong brand presence, generate demand, and foster a reputation as a reliable provider of sustainable solutions.

7. Scaling Manufacturing Infrastructure: To meet growing demand, Banka Bio must scale its manufacturing capabilities efficiently. Investing in advanced manufacturing technologies can enhance productivity, reduce costs, and ensure consistent product quality.

8. Talent Acquisition and Skill Development: As Banka Bio expands into new sectors, it should attract and retain a diverse talent pool with expertise in water treatment, biopolymers, and related fields. Continuous skill development programs can ensure the workforce remains up-to-date with the latest advancements.

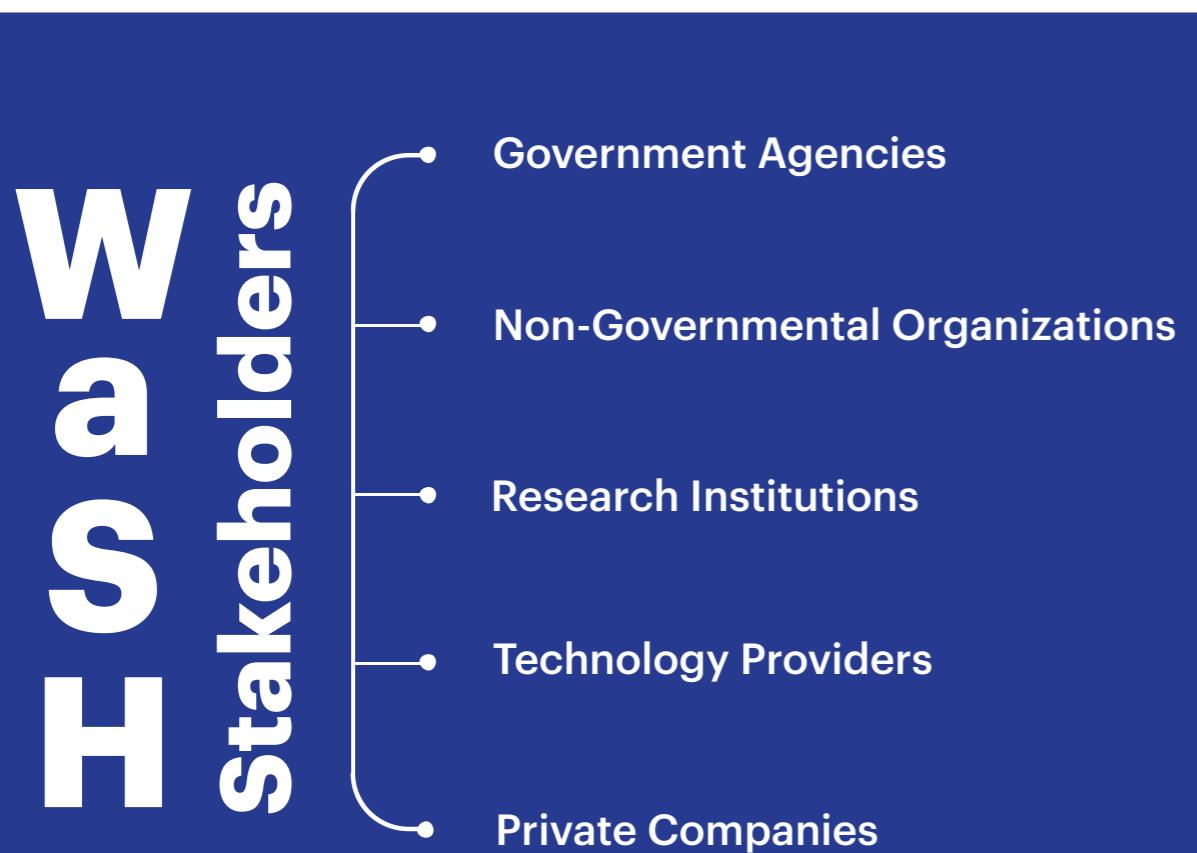
9. International Expansion: Beyond India's borders, there is a global need for innovative water treatment and sustainable materials. Banka Bio should explore opportunities for international expansion, tapping into markets where its solutions align with local environmental challenges and regulations.

10. Continuous Innovation: The key to long-term success is to never stop innovating. Banka Bio should foster a culture of continuous improvement and adaptation, staying ahead of market trends and anticipating the evolving needs of its customers.

In conclusion, Banka Bio's strategic foray into the water treatment and biopolymer sectors holds great potential for growth and positive environmental impact. By following these growth strategies and maintaining a commitment to innovation and sustainability, the company can establish itself as a leader in these critical industries.

B.4 Industry Structure and Developments

The Water, Sanitation, and Hygiene (WaSH) industry in India encompasses a multifaceted structure aimed at addressing the nation's water and sanitation challenges. The sector has evolved significantly over the years, driven by both government initiatives and private sector participation. India's WaSH industry involves a spectrum of stakeholders including government agencies, non-governmental organizations (NGOs), research institutions, technology providers, and private companies. Development in this sector has seen a shift from traditional approaches to more innovative and sustainable solutions, driven by advancements in technology and a growing awareness of the importance of access to clean water and proper sanitation. The Indian government's flagship programs such as Swachh Bharat Abhiyan and initiatives promoting clean drinking water emphasize the crucial role of the WaSH industry in improving public health and ensuring environmental sustainability. As the country continues to urbanize and face increasing water scarcity challenges, the WaSH industry's growth and development are vital to achieving India's socio-economic goals and ensuring a healthier and more sustainable future for its citizens.



a.

B.5 Opportunities and Threats

The WaSH industry in India presents a range of opportunities and challenges as it strives to address the country's water and sanitation needs.

Opportunities lie in the vast market potential for innovative water treatment technologies, sustainable sanitation solutions, and access to clean drinking water in both urban and rural areas. Government initiatives and international partnerships provide avenues for investment, fostering a supportive environment for growth. Moreover, the increasing awareness of environmental sustainability and the urgency to improve public health offer a fertile ground for the industry's expansion.

Opportunities:

1. Technological Advancements: The rapid progress of technology offers an array of tools to revolutionize the WaSH industry.

From advanced water treatment techniques that can purify contaminated water sources to smart sensors and data analytics that enhance monitoring and maintenance of water supply systems, technology presents the potential to improve efficiency, reduce waste, and enhance service delivery.

2. Government Initiatives: India's government has demonstrated a strong commitment to WaSH through initiatives like the Swachh Bharat Abhiyan and the Jal Jeevan Mission. These programs underscore the significance of sanitation and clean water for health and well-being, offering a platform for partnerships, investments, and innovation to address the gaps in water supply and sanitation coverage.

3. Private Sector Participation: Increasing private sector involvement is transforming the industry by bringing in expertise, resources, and market-driven approaches. This opens doors for novel financing models, innovative business solutions, and efficient project execution.

b.

4. Rural-Urban Synergy: The movement of people from rural to urban areas can drive demand for modern WaSH solutions, creating opportunities for urban planning, water treatment, and sanitation infrastructure development. Integrating rural practices with urban infrastructure can yield sustainable and scalable solutions.

5. Environmental Sustainability: The growing awareness of environmental sustainability and the need to mitigate water pollution and scarcity is driving the adoption of eco-friendly practices and technologies. Sustainable water management, waste reduction, and water reuse are becoming central tenets of the industry's growth.

Threats:

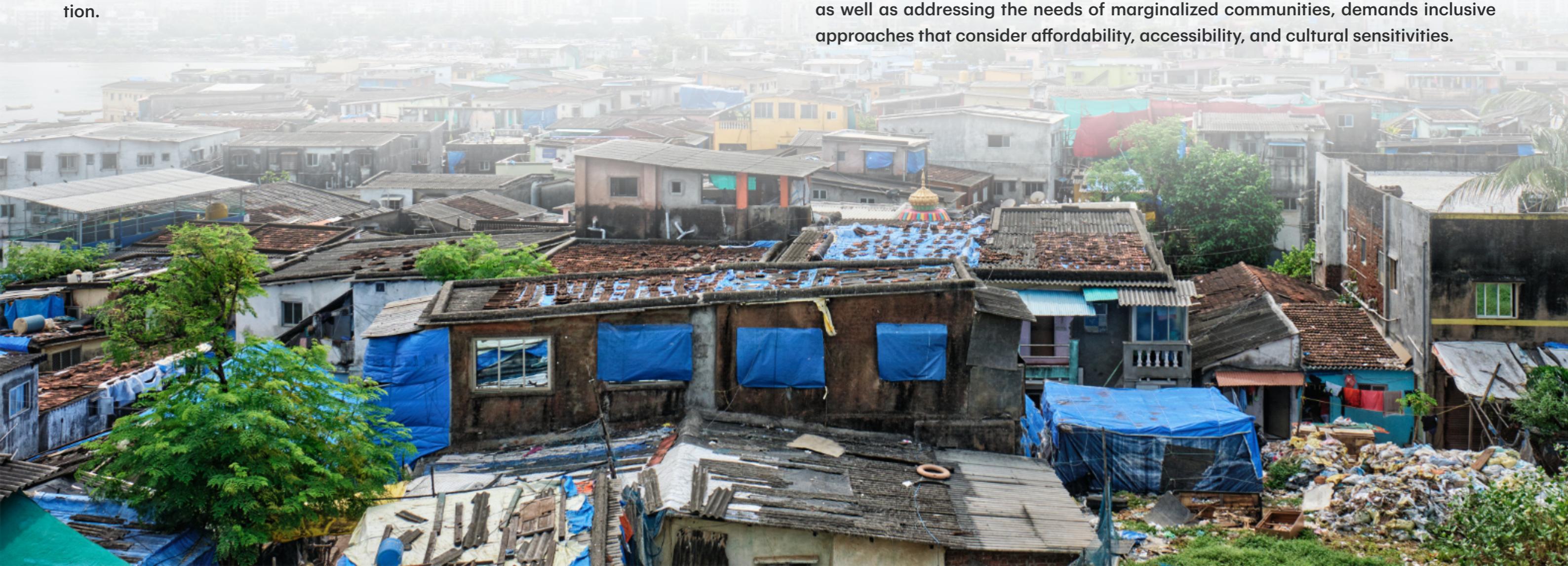
1. Water Scarcity and Pollution: India's water resources are under immense stress due to population growth, industrialization, and climate change. Water scarcity and pollution pose significant challenges to the provision of safe and adequate water supply, requiring innovative approaches to water sourcing, treatment, and distribution.

2. Inadequate Infrastructure: A substantial portion of India's population still lacks access to basic sanitation facilities and clean drinking water. The need for extensive infrastructure development, particularly in rural and underserved areas, demands significant investments and well-coordinated implementation.

3. Behavioral Change: Cultivating behavioral change to promote proper hygiene practices remains a persistent challenge. Encouraging communities to adopt hygienic behaviors and proper waste management practices requires culturally sensitive and context-specific strategies.

4. Regulatory Complexity: Navigating regulatory frameworks and obtaining necessary clearances for WaSH projects can be complex and time-consuming. Streamlining regulatory processes and ensuring compliance while maintaining quality standards is essential for sustainable growth.

5. Socio-Economic Disparities: India's socio-economic disparities are reflected in uneven access to WaSH services. Bridging the gap between urban and rural areas, as well as addressing the needs of marginalized communities, demands inclusive approaches that consider affordability, accessibility, and cultural sensitivities.



B.6 Segment-wise or Product-wise performance

The operations of the Company relate to only one segment i.e. Human Waste Disposal Management. Hence, the disclosure on the segment-wise or product-wise performance is not applicable to the Company.

Industry Outlook:

The WaSH industry in India stands at a pivotal juncture, shaped by a dynamic interplay of factors ranging from rapid urbanization and technological advancements to pressing environmental concerns and evolving government policies. As the most populous nation on the planet, India faces formidable challenges in ensuring access to clean water and proper sanitation for its diverse population. However, within these challenges also lie opportunities for innovation, growth, and transformative impact on public health, environmental sustainability, and socio-economic development.

The outlook for India's WaSH industry is one of both promise and complexity. The challenges are significant, but the potential for positive impact on public health, environmental sustainability, and socio-economic development is equally profound. By embracing innovation, collaboration, and inclusive approaches, India can pave the way for a WaSH industry that not only addresses the pressing needs of today but also lays the foundation for a healthier, more sustainable, and equitable future for all its citizens.

Risk and Concerns:

The WaSH industry also faces significant risks. Persistent challenges include inadequate infrastructure, unequal distribution of resources, and water pollution. Climate change exacerbates water scarcity and quality issues, impacting the availability of clean water. Financial constraints and regulatory complexities can

hinder effective implementation of projects, particularly in rural and marginalized communities. Balancing affordability and quality in a diverse and populous country like India is a constant challenge. Moreover, ensuring behavior change and promoting hygiene practices in a culturally diverse population requires tailored strategies. The industry's success hinges on its ability to navigate these challenges, leveraging opportunities to create sustainable and equitable solutions for India's water and sanitation needs.

Internal Financial Control Systems and their adequacy:

The Company has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The Internal Control is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The required internal control systems are implemented by the Company for the various activities across the organization to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

Internal audit is carried on a quarterly basis, the scope and coverage of audits include review and reporting on key process risks, adherence to operating guidelines and statutory compliances. Internal auditors work with all levels of management and the report is placed before the audit committee. The audit committee after reviewing the findings and suggestions directs the respective departments to implement the same.

Financial Performance:

Your Company has generated gross revenue from operations for FY 2022-23 of Rs. 42.14 crores as compared to Rs. 38.63 crores in the previous year, recording an increase of 9.08%. The net profits increased to Rs. 3.07 crores for the financial year 2022-23, as against Rs. 3.05 crores in the previous year, recording an increase of 0.58%.

Key Financial Metrics (In Rs. millions)

| Items | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|----------------------|---------|---------|---------|---------|
| Total Assets | 625.71 | 467.74 | 463.73 | 596 |
| Current Assets | 376.28 | 345.45 | 359.97 | 393.87 |
| External Liabilities | 219.82 | 187.45 | 163.43 | 221.45 |
| Current Liabilities | 159.28 | 107.31 | 91.94 | 140.24 |
| Profits Before Taxes | 41.47 | 78.46 | 18.7 | 32.6 |
| Profits After Taxes | 30.76 | 62.27 | 22.06 | 30.59 |
| Net Worth | 405.89 | 280.29 | 300.3 | 374.55 |
| Liquidity | 216.99 | 238.14 | 268.03 | 253.63 |
| Gross Annual Revenue | 482.55 | 550.42 | 356.65 | 445.92 |
| Net Annual Revenue | 429.55 | 483.2 | 310.3 | 390.8 |

| Ratio | Numerator | Denominator | Year ended 31.03.'23 | Year ended 31.03.'22 | % Variance |
|----------------------------------|--|--|-------------------------|-------------------------|------------|
| Trade receivables turnover ratio | Revenue from operations | Average Trade Receivable | 3.61 | 3.07 | 17.58% |
| Inventory Turnover Ratio | Cost of goods sold | Average Inventory | 0.70 | 0.71 | -1.99% |
| Debt Service Coverage Ratio | Earnings available for debt service= Net profit after taxes + Non-cash operating expenses + Finance cost | Debt service= Interest & Lease Payments + Principal Repayments | 1.53 | 1.28 | 19.55% |
| Current Ratio | Current Assets | Current Liabilities | 2.36 | 2.81 | -15.89% |
| Debt - Equity Ratio | Total Debt | Shareholder's Equity | 0.33 | 0.37 | -10.45% |
| Net profit ratio | Net Profit | Revenue from operations | 7.30% | 7.92% | -7.80% |
| Return on Equity (ROE): | Net Profits after taxes | Average Shareholder's Equity | 7.88% | 9.06% | -13.03% |

Human Resources

The company strongly believes that its Human Resources are one of its most valuable resource. The Company prioritizes the professional as well as personal development of each employee, encouraging them to remain motivated and achieve organisational objectives. The necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills. The Company aims to create a conducive working environment, upholding the values of diversity, openness and transparent communications across organisational hierarchies. We are committed to build an open and transparent culture, through which employees can provide feedback without any inhibitions.

Employee Headcount:

The number of permanent employees on the rolls of Company, as on 31 March 2023, are **685**.

The Company's industrial relations continued to be harmonious during the review period.

Disclosure of Accounting Treatment

The Company has complied with the applicable accounting treatment standards as prescribed in the Indian Accounting Standards, while preparing the Financial Statements for year ended on 31 March 2023. The financial statements represent a true and fair view of the underlying business transactions.

Cautionary Statement

The statement, forming a part of this report, may contain certain forward-looking remarks that represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. Many factors could cause the actual results, performances, or achievements of the Company to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company's operations, include domestic and international economic conditions, changes in government regulations, tax regime and other statutes. The Company assumes no obligation to revise or update any forward-looking statements, arising due to new information, future events, or otherwise.



B.7 Strategic Partnerships and Alliances

In 2022, Banka Bio became Technology Partner with the Defense Research and Development Organization (DRDO) to produce and sell biopolymers. It marks a transformative step towards harnessing cutting-edge biopolymers technology for sustainable solutions. This collaboration capitalizes on DRDO's renowned expertise in research and development and Banka Bio's pioneering presence in the wash industry. By combining their strengths, we aim to accelerate the commercialization of biopolymers, offering environmentally friendly alternatives to traditional plastics. We call our biopolymers as Compostica, and we are charging ahead to revolutionize industries, and influencing sectors such as packaging, manufacturing, agricultuer, automobile, retial, and healthcare while contributing significantly to India's journey towards a greener and more sustainable future.





Section C: Board and Management Profiles

C.1

Banka Bio: Board of Directors

Executive Director



Sanjay Banka
Executive Chairman



Namita Banka
Managing Director



Vishal Murarka
CEO and
Executive Director



Akhilesh Tripathi
Executive Director

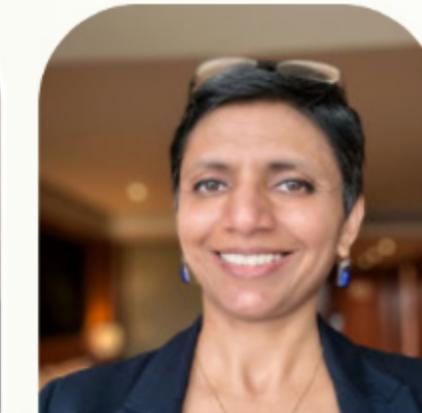


T V Rama Krishna
CFO and
Executive Director

Independent Director



Dr. D B Raju
Independent Director



Aparajita Agrawal
Independent Director



Anil Sharma
Independent Director



Sanjay Gangwar
Independent Director



Kamalesh Sekhar
Independent Director

Section D:

Statutory Reports



Directors' Report

[For the year ended 31 March 2023]

Dear Shareholders,

Your directors have the pleasure to present the 11th Directors' Report, along with the audited financial statements (both standalone and consolidated), for the financial year ended 31 March 2023 ("the period under review").

Financial Performance

The financial statements (both standalone and consolidated) for the financial year ended 31 March 2023, forming part of this Annual Report, have been prepared in accordance with the applicable accounting standards.

Key highlights of the financial performance of your Company for the financial year 2022-23 are provided below.

| Particulars | Standalone | | Consolidated | |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Year Ended 31 March '23 | Year Ended 31 March '22 | Year Ended 31 March '23 | Year Ended 31 March '22 |
| Revenue (net) from Operations | 42,14,32,324 | 38,63,38,231 | 42,34,97,812 | 38,75,08,231 |
| Other Income | 81,23,595 | 45,36,753 | 70,10,896 | 45,36,753 |
| Total Income | 42,95,55,919 | 39,08,74,985 | 43,05,08,708 | 39,20,44,985 |
| Total Expenditure | 38,80,77,929 | 35,82,75,271 | 39,50,79,647 | 35,92,26,751 |
| Profit Before Tax | 4,14,77,990 | 3,25,99,714 | 3,54,92,790 | 3,30,89,280 |
| Less: Tax Expenses | 1,07,14,290 | 20,12,988 | 1,02,70,938 | 20,12,833 |
| Net Profit | 3,07,63,700 | 3,05,86,726 | 2,52,21,852 | 3,10,76,447 |

Rs. In actuals

State of Affairs/ Company's Performance

Your Directors wish to present the details of business operations done during the year under review.

Standalone Financial Results:

During the Financial Year (FY) 2022-23, the Company has achieved gross revenue from operations of Rs. 42,14,32,324 as compared to Rs. 38,63,38,231 in the previous year, recording an increase of 9.08%. The net profits increased to Rs. 3,07,63,700 for the financial year 2022-23, as against Rs. 3,05,86,726 in the previous year, recording an increase of 0.58%.

Consolidated Financial Results:

The consolidated revenue for the FY 2022-23 was Rs. 42,34,97,812 and the consolidated net profit for the FY 2022-23 stood at Rs. 2,52,21,852.

Subsidiaries, Joint Ventures and Associates

The Company has two wholly-owned subsidiary and two associates as on 31 March 2023 as mentioned below -

| # | Name of the Subsidiary/ Joint Venture/ Associate | Relationship | Date and Place of Incorporation |
|---|---|--|---------------------------------------|
| 1 | Enzotech Solutions Private Limited (Material Subsidiary) | Wholly-owned Subsidiary | 26/04/2006 Tamil Nadu, India |
| 2 | Megaliter Varunaa Private Limited | Wholly-owned Subsidiary | 23/06/2022 Telangana, India |
| 3 | Sai Banka SPV Private Limited | Associate, Company holds 50% of paid-up capital | 26/02/2021 Telangana, India |
| 4 | Sustainable Sanitation Industry Association | Associate, Company holds 25% of paid-up capital | 28/06/2020 Telangana, India |

Your Company does not have any joint venture.

During the period under review, your company incorporated Megaliter Varunaa Private Limited (CIN U41000TG2022PTC163992), a private limited Company, as a wholly-owned subsidiary of the Company on 23/06/2022.

After 31 March 2023, your Company approved for sale of 20,000 equity shares held by the company in the Sustainable Sanitation Industry Association (SSIA) on 10 August 2023. Accordingly, Sustainable Sanitation Industry Association shall cease to be an Associate Company, post-completion of the said sale of shares.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, including the consolidated financial statements, along with the relevant documents, and the separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.bankabio.com/investors.

Further, the Company's policy on determining the material subsidiaries, as approved by the Board is uploaded on the Company's website at <https://bankabio.com/wp-content/uploads/2022/09/Policy-on-Determining-Material-Subsidiary.pdf>

Report on performance and financial positions of Subsidiaries, Associates and Joint Ventures

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is annexed to the standalone financial statements of the Company, and forms part of this report as **Annexure I**.

Consolidated Financial Statements

The audited consolidated financial statements of your Company as on 31 March

2023, which form part of the Annual Report, have been prepared, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations"), as amended from time to time, and also, as per the applicable Indian Accounting Standard (Ind AS), as notified by the Ministry of Corporate Affairs.

Nature of Business

The Company is engaged in the activities of sanitation, fecal sludge and wastewater treatment. During the financial year under review, there was no change in the nature of the business of the Company.

Material change and commitment, affecting financial position of the Company from the end of the financial year till the date of the report

There is no material change and commitment affecting the financial position of the Company that occurred between the end of the financial year of the Company, to which the financial statements relate, and the date of the report.

Transfer to Reserves

Appropriations to general reserve for the financial year ended 31 March 2023, as per financial statements are as follows:

Rs.in actuals

| | |
|--|-------------------------|
| Net profit for the year | Rs. 3,07,63,700 |
| Balance of Reserve at the beginning of the year | Rs. 26,60,83,788 |
| Balance of Reserve at the end of the year | Rs. 29,74,28,249 |

Dividend

Considering the financial requirement for business growth and debt servicing, your Directors do not propose any dividend for the year ended March 31, 2023.

Transfer of unclaimed dividend to Investor Education and Protection Fund

During the year under review, the Company was not required to transfer any unclaimed dividend in its accounts.

Share Capital

The authorized share capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 equity shares of Rs. 10/- each and the paid-up Capital stood at Rs. 10,84,65,820/- consisting of 1,08,46,582 equity shares of Rs. 10/- each.

Disclosure under Companies (Share Capital and Debenture) Rules, 2014

During the financial year under review, your Company has not altered/modified its authorised share capital and has not issued any equity share with differential rights/ sweat equity shares. Further, the Company did not grant/ vest any employee stock option scheme/ employee stock purchase schemes. Further, at the beginning of the year, there was no outstanding option granted. Your Company has not raised any funds through preferential allotment or qualified institutions placement.

After 31 March 2023, your company has issued and allotted 430 (Four Hundred and Thirty) secured, unrated, unlisted, redeemable, transferable non-convertible debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating to Rs. 4,30,00,000 (Rupees Four Crore and Thirty Lakh Only) ("Debentures") to WaterCredit Investment Fund 3, LP, which is approved by the Securities

Allotment Committee of the Board of Directors at their meeting held on 23 June 2023.

Listing

The equity shares of your Company are listed on NSE. The listing fee has been paid for the year 2022-23.

Board Composition and Independence

Board of Directors

The Board of the Company is duly constituted. None of the directors of the Company are disqualified under the provisions of the Act or the Listing Regulations. The Board of Directors of the Company comprises of 10 (ten) directors, of which 5 (five) are Executive Directors and 5 (five) are Non-Executive Independent Directors. The composition of the Board of Directors is in compliance with the provisions of Section 149 of the Companies Act, 2013.

Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, read with the Articles of Association of the Company, at least 2/3rd of the total number of Directors of a public company shall be liable to retire by rotation and 1/3rd of such Directors shall retire by rotation at every AGM; However, "Independent Directors" are out of the ambit of retiring by rotation.

As, Mr. Vishal Murarka was re-appointed by rotation in the 10th AGM. The Board proposed Ms. Namita Sanjay Banka (DIN: 05017358) to retire by rotation, at the 11th AGM.

Ms. Namita Sanjay Banka (DIN: 05017358), retires by rotation in the ensuing AGM and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment, along with other required details forms part of the Notice of the AGM.

Detailed information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Annexure II to the Notice of 11th AGM.

Appointment and Cessation:

Directors and Key Managerial Personnel

During the year under review, following are the change(s) in Board composition:

Executive Director:

Mr. Vishal Murarka as Executive Director, designated as Chief Executive Officer (CEO) of the Company is re-appointed for a further period of 3 (three) years w.e.f. 1 October 2022 in the 10th Annual General Meeting of the Company held on 29 September 2022.

Independent Director:

- Mr. Anil Sharma was appointed as Non-Executive Independent Director of the Company w.e.f. 1 October 2022 for a term of 5 (five) years in the 10th Annual General Meeting of the Company held on 29 September 2022.
- Mr. Sandip Poddar ceased to be a Non-Executive Independent Director of the Company upon completion of his tenure of 5 (five) consecutive years on 31 October 2022.

Company Secretary & Compliance Officer:

- Mr. Sri Bala Aditya Yanamandra (Membership No. A31759) resigned from the post of the Company Secretary & Compliance Officer of the Company, w.e.f. 14 November 2022.
- Ms. Archana Arigela (Membership No. A65613) was appointed as the Company Secretary & Compliance Officer of the Company, w.e.f. 15 November 2022.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, details of the Key Managerial Personnel of the Company.

| S No | Name of the person | Designation | Remarks |
|------|--------------------------------|--|----------------------------------|
| 1 | Namita Sanjay Banka | Managing Director | |
| 2 | Vishal Murarka | Chief Executive Officer | |
| 3 | Tadepalli Venkata Rama Krishna | Chief Financial Officer | |
| 4 | Sri Bala Aditya Yanamandra | Company Secretary & Compliance Officer | Resigned w.e.f. 14 November 2022 |
| 5 | Archana Arigela | Company Secretary & Compliance Officer | Appointed w.e.f. 15 Nov. 2022 |

There were no other changes in composition of Board and Key Managerial Personnel of the company apart from the changes mentioned above.

Declaration by the Independent Directors

The Company received necessary declarations under 149(7) of the Companies Act, 2013, from the Independent Directors stating that they meet the prescribed criteria for independence. All Independent Directors affirmed compliance to the code of conduct for Independent Directors as prescribed in Schedule IV to the Act.

Opinion of the Board with regard to integrity, expertise and experience of the independent directors appointed during the year

The Independent Directors of the Company are persons of integrity, eminent personalities having expertise/ experience in their respective fields/ professions. These Directors meet the criteria of independence, as specified in SEBI (LODR) Regulations, and were selected and appointed, based on well-defined selection criteria. The Nomination and Remuneration Committee considers, inter alia, key qualifications, skills, expertise and competencies, fulfilment of criteria for independence, while recommending to the Board, the candidature for appointment as Independent Director, to enable the Board to discharge its functions and duties, effectively.

Directors' Responsibility Statement

In terms of Section 134(5) of the Act, and in relation to the audited financial statements of the Company for the financial year ended 31 March 2023, the Board of Directors, hereby, confirms that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, if any;
2. Such accounting policies, as mentioned in the notes to the financial statements, have been selected and applied consistently, and judgments and estimates that are reasonable and prudent made, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2022-23, and of the profit or loss of the Company for that period;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
4. The annual accounts for the year 2022-23 have been prepared on a going concern basis;
5. Those proper internal financial controls were in place and that the financial controls are adequate and are operating effectively;
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws, were in place and were adequate and operating effectively.

Annual Evaluation of Individual Directors, Committees and Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, the Board carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee.

The Board took into consideration inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Disclosure of Expertise / Skills / Competencies of the Board of Directors

The list of core skills / expertise / competencies identified by the Board of Directors of the Company as required in the context of its business and sector(s) for it to function effectively, and those actually available with the Board, form part of the Corporate Governance Report.

Board Diversity

The Policy on Board Diversity of the Company devised by the Nomination and Remuneration Committee and approved by the Board is disseminated on the website of the Company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/Nomination-Remuneration-Policy.pdf>

Code of Conduct and Declaration on Code of Conduct

Your Company has laid down a Code of Conduct for all Board members, Senior Management and Independent Directors of the Company, in line with the provi-

sions of SEBI (LODR) Regulations and the Act. The said Code of Conduct is available on the website of the Company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf>. Declaration in this regard forms part of the corporate governance report.

Committees of the Board

As on 31 March 2023, the Board has 4 (four) committees, the details of committees are as follows.

Audit Committee

Audit Committee (AC) has been constituted in terms of Section 177 of Companies Act, 2013 and in terms of Regulation 18 of SEBI (LODR) Regulations. The composition of the Audit Committee, its terms of reference, detail of meetings of the AC, and such other details are provided in the Report on Corporate Governance annexed. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

Nomination and Remuneration Committee

Nomination and Remuneration Committee (NRC) has been constituted in terms of Section 178 of Companies Act, 2013 and in terms of Regulation 19 of SEBI (LODR) Regulations. The composition of the Nomination and Remuneration Committee, its terms of reference, details of meetings of the NRC, and such other details are provided in the Report on Corporate Governance annexed.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee (SRC) is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations and Section 178 of the Act. The composition of the SRC, its terms of reference, details of the meeting of the SRC, and such other details are provided in the Report on Corporate Governance annexed.

Corporate Social Responsibility (CSR) Committee

CSR Committee (CSRC) is constituted in line with the provisions of Section 135 of

the Act to formulate and recommend to the Board, CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act, to recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy, and to monitor the CSR Policy.

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR during the year are set out in Annexure IX of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The composition of the CSRC, its terms of reference, details of the meeting of the CSRC, and such other details are provided in the Report on Corporate Governance annexed.

CSR Policy is made available on the website of the Company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/CSR-Policy-CSR-Committee.pdf>

Establishment of Vigil Mechanism

The Company has adopted a Whistle Blower Policy, establishing a vigil mechanism to provide a formal mechanism to the Directors and employees to report concern about unethical behaviour, actual or suspected fraud or violation of code of conduct and ethics. It, also, provides for adequate safeguards against the victimization of employees, who avail of the mechanism, and provides direct access to the chairman of the Audit Committee in exceptional cases. The whistleblower policy is available on the website of the Company under weblink https://bankabio.com/wp-content/uploads/2022/12/Whistle_Blower_Policy.pdf.

A brief note on the Whistle Blower Policy is provided in the Report on Corporate Governance annexed.

Meeting of the Board of Directors

The Board meetings are normally held on a quarterly and/or on-need basis. During the financial year under review, the Board of Directors met 6 (six) times. The

maximum interval between any two meetings did not exceed 120 days. The details of the board meetings are given in Report on Corporate Governance, which forms part of this report.

Meeting of the Independent Directors

During the financial year under review, in accordance with the provision of Schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations, separate meeting of Independent Directors of the Company was held, and the details of the same have been provided under Corporate Governance Report, which forms part of this Board report.

Familiarization Programme for Independent Directors

All Independent Directors (IDs) inducted into the Board are provided an orientation on Company structure and Board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy. The Company familiarizes the IDs with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various interactions and an update on amendments or regulatory requirements and changes is given as part of Board meetings and familiarization programs. Details of the familiarization programs of the IDs are available under the weblink: <https://bankabio.com/wp-content/uploads/2022/09/Familiarization-Programs-for-Independent-Directors.pdf>

Statutory Auditors

Pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013, and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the shareholders of the Company at the 10th Annual General Meeting of the Company held on 29 September 2022, re-appointed PRSV & Co. LLP, Chartered Accountants (Firm Registration No: S20016) as Statutory Auditors of the Company for the second term of 5 years i.e. from the conclusion of the 10th Annual General Meeting of the Company till the conclusion of 15th Annual General Meeting to be held in 2027, to conduct statutory audit of the Company for the financial years commencing from 2022-23 to 2026-27, at a remuneration as may be determined and mutually agreed by the Board and the statutory auditors.

The Auditor's Report on the financial statements of the Company for the F.Y. 2022-23 does not contain any qualification, reservation, adverse remark or disclaimer, and the notes on the financial statements referred to therein are self-explanatory, thereby not requiring any further comments on the same.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company upon recommendation of Audit Committee, has appointed P. S. Rao & Associates, Practicing Company Secretaries, to undertake the secretarial audit of the Company.

The Secretarial Audit Report for the F.Y. 2022-23 in Form MR-3 is annexed to this report as Annexure VII, and forms part of this annual report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Audit/ Maintenance of Cost Records

For the financial year 2022-23, your Company is required to maintain cost records, as specified by the central government under sub-section (1) of section 148 of the Act, is in respect of the activities carried on by the Company. However, cost audit, as specified under Rule 4 of the Companies (Cost Records and Audit) Rules, 2014 is not mandatory.

Internal Auditors

The Board of Directors had, upon recommendation of the Audit Committee, appointed M H A & Associates LLP, Chartered Accountants, as the Internal Auditors of the Company in accordance with the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

The Internal Auditors submit their report quarterly to the Audit Committee. Based on the report of internal audit, management undertakes corrective action in the respective areas and takes necessary steps to strengthen the levels of internal financial and other operational controls.

Internal Financial Control Systems and their Adequacy

The Company has adequate internal control systems and procedures, designed to effectively control its operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed standard operating procedures (SOPs), considering the essential components of internal control as stated in the Guidance Note on Audit of Internal Controls over Financial Reporting, issued by the Institute of Chartered Accountants of India. Internal Auditor conducts audit, covering a wide range of operational matters and ensures compliance with specified standards. Planned periodic reviews are carried out by Internal Auditor. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the internal controls and systems followed by the Company.

Management Discussion & Analysis Report

The Management Discussion and Analysis Report, as required under Regulation 34 & Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as Annexure V, and forms part of this report.

Corporate Governance Report

Report on Corporate Governance is provided as Annexure VI, and forms part of this report. A certificate from the Practicing Company Secretary, regarding compliance with the corporate governance norms, as stipulated, is also annexed to the Report on Corporate Governance.

P. S. Rao & Associates, Practicing Company Secretaries, have certified the said report in compliance with the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Compliance Certificate forms part of the Corporate Governance Report.

Annual Return

In terms of Section 92(1) of the Act, read with Rule 11 of The Companies (Management and Administration) Rules, Annual Return, comprising the requisite details in Form MGT-7, has been prepared and made available on the website of the Company under the weblink <https://www.bankabio.com/investors>.

Particulars of Loans, Guarantees and Investments

As per the requirements of Section 186 and Section 134(3)(g) of the Companies Act, 2013, we would like to inform that details of loans, guarantees, securities and investments made by the Company, are provided in the notes to the financial statements forming part of the Annual Report.

The details of the loans/advances in the nature of loan extended to any firm/company, in which directors are interested, either by the Company or its subsidiary are provided in the notes to the financial statements forming part of the Annual Report.

Public Deposits

During the financial year 2022-23, your Company has not accepted any deposit that falls within the scope of Sections 73 and 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014. Further, there is no amount outstanding at the beginning of financial year 2022-23, which can be classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposit) Rules, 2014.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details regarding energy conservation, technology absorption, foreign exchange earnings and outgo, as required by section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are provided as Annexure III, and form part of this report.

Particulars of Contracts or Arrangements with Related Parties

Information on transactions with related parties, pursuant to Section 134(3)(h) of the Act, read with Section 188 and Rule 8(2) of the Companies (Accounts) Rules, 2014, pursuant to SEBI (LODR) Regulations are given in Form AOC-2, and forms part of this report as Annexure II.

Significant and material orders passed by Regulators or Courts or Tribunals

During the financial year under review, there was no significant and material order passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

The Company is committed to provide a safe and conducive work environment to its employees, and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace, in line with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

During the financial year ended 31 March 2023, the Company did not receive any complaint pertaining to sexual harassment of employees. The Company complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosures in respect of voting rights not directly exercised by employees

There is no share held by trustees for the benefit of employees, and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures), 2014 has

been furnished.

Risk Management

Risk management is the process of identification, assessment and prioritization of risks, followed by coordinated efforts to minimize, monitor and mitigate/ control the probability and/or impact of unfortunate events to maximize the realization of opportunities. The Board oversees Company's processes for determining risk tolerance and review management's action and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which forms part of this Report.

Industrial Relations

Your Directors are happy to report that the industrial relations have been cordial at all levels throughout the year. Your Directors record their appreciation for all the efforts, support, and co-operation of all employees being extended from time to time.

Human Resources

Your Company considers its human resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered, and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

Proceedings under IBC

As per the requirements of Rule 8(5)(xi) and (xii) of the Companies (Accounts) Rules, 2014 –

- No application made or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- No one-time settlement of financial dues was made during the period under review.

Information to be Furnished under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided under annexures and forms part of this report as Annexure IV.

However, no Employee is in receipt of the remuneration as specified in Rule 5(2) of abovestated rule.

Disclosures, as required under Para A of Schedule V of SEBI (Listing Obligations and Disclosure) Requirements) Regulations, 2015

For the details of transaction(s) of your Company with entity(ies) belonging to the promoter/ promoter group, which holds more than 10% shareholding in the Company, as required under Para A of Schedule V of the SEBI (Listing Obligations and Disclosure) Requirements) Regulations, 2015, please refer to Notes to the Financial Statements.

Code of Conduct

Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of Board of Directors and senior management is annexed, and forms part of this report.

Insider Trading Regulations

Based on the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for the prohibition of insider trading, as approved by the Board is implemented by the Company. The Company, also, adopts the concept of trading window closure, to prevent its directors, officers, designated employees, their relatives from trading in the securities of the Company at the time when there is unpublished price sensitive information. The Board has appointed Ms. Archana Arigela, Company Secretary, as

the Compliance Officer under the code.

The Company has adequately maintained Structured Digital Database (SDD) as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Disclosures with respect to the demat suspense account/unclaimed suspense account

Not Applicable, as the Company do not have any shares in the demat suspense account or unclaimed suspense account.

Disclosures of Certain Types of Agreements binding listed entities

There is no such agreement(s) binding the Company.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the central government.

Update of Email IDs for receiving Notices / Documents in electronic mode

Shareholders who have not registered their email IDs with the Company are requested to register/update their email IDs with the Company or with their depository, through their depository participant, to enable the Company to deliver notices /documents through e-mail.

Other Disclosures

There is no deviation in the utilisation of the proceeds of the public issue from the objects stated in the prospectus of the issue, and there has been no variation in the use of the proceeds from the objects stated in the prospectus dated 23 January 2018 or explanatory statement to the notice of the Extra-Ordinary Meeting dated 16 November 2017, issued for IPO of securities, in terms of regulation 32 (1) (a) of SEBI (LODR) Regulations, 2015.

Further as on 31 March, 2023 the proceeds from the public issue has been fully utilised by the Company, without any deviation or variation.

During the financial year under review, your Company has not revised financial statement(s).

During the year under review, no instance of fraud was reported by the Statutory Auditors of the Company.

The financial statements for FY 2022-23 have been prepared as per the applicable accounting standards.

Acknowledgement

Your Directors place on record their gratitude to the central government, various state governments and Company's bankers and advisors for the valuable advice, guidance, assistance, cooperation and encouragement they have extended to the Company from time to time. The Directors, also, take this opportunity to thank the Company's customers, suppliers and shareholders for their consistent support to the Company.

We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.



Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

By the Order of the Board
For Banka BioLoo Limited

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Date: 25 August 2023

Place: Hyderabad

Annexure I

Form No. AOC-1

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures*(Pursuant to first proviso to sub-section (3) of section 129, read with rule 5 of Companies (Accounts) Rules, 2014)**Rs. In lakhs*

| Part "A": Subsidiary | | | |
|-----------------------------|--|---|--|
| S No | Particulars | Enzotech Solutions Private Limited | Megaliter Varunaa Private Limited |
| 1 | Date of incorporation | 26/04/2006 | 23/06/2022 |
| 2 | Reporting period for the subsidiary, if different from the holding company's reporting period | NA | NA |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries. | NA | NA |
| 4 | Share capital | 441.46 | 100.00 |
| 5 | Reserves & surplus | -70.94 | 1.56 |
| 6 | Total assets | 1106.91 | 446.97 |
| 7 | Total liabilities | 1106.91 | 446.97 |
| 8 | Investments | - | - |
| 9 | Turnover | 544.42 | 20.82 |
| 10 | Profit before taxation | -33.51 | 3.03 |
| 11 | Provision for taxation | -0.10 | 1.47 |
| 12 | Profit after taxation | -33.41 | 1.56 |
| 13 | Proposed dividend | NA | NA |
| 14 | Percentage of shareholding | 100% | 100% |

Part "B": Associates and Joint Ventures

| Particulars | Sai Banka SPV Private Limited | Sustainable Sanitation Industry Association |
|---|-------------------------------|---|
| Latest audited Balance Sheet Date | 31/03/2023 | 31/03/2023 |
| Shares of Associate/Joint Venture held by the Company at year end | | |
| A. Number of shares | 5,000 | 20,000 |
| B. Amount of Investment in Associates/Joint Venture | 0.5 | 2.0 |
| C. Extend of Holding % | 50% | 25% |
| Description of how there is significant influence | NA | NA |
| Reason why the associate/joint venture is not consolidated | NA | NA |
| Networth attributable to shareholding as per latest audited Balance Sheet | - | - |
| Profit / Loss for the year | | |
| A. Considered in Consolidation | 0.64 | -0.057 |
| B. Considered in Consolidation | 0.64 | -0.17 |

Note: After 31 March 2023, your Company approved for sale of 20,000 equity shares held by the company in the Sustainable Sanitation Industry Association (SSIA) on 10 August 2023. Accordingly, Sustainable Sanitation Industry Association will cease to be an Associate Company, post-completion of the said sale of shares.

**By the Order of the Board
For Banka BioLoo Limited**

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Date: 25 August 2023
Place: Hyderabad

Annexure II

Form No. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties, referred to in Sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transaction under third proviso thereto.

| 1. Details of contracts or arrangements or transactions not at arm's length basis. | | 2. Details of contracts or arrangements or transactions at arm's length basis | | | | | | | |
|--|--|---|----|--|--|--|---|---------------------------------|--|
| S No | Particulars | Details: | No | Name (s) of the related party & nature of relationship | Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Amount paid as advances, if any | Justification for entering into Contract |
| 1 | Name(s) of the related party & nature of relationship | NA | 1 | Sai Banka SPV Pvt Ltd (50% contribution held by promoters) | Interest Received | From 01.04.2022 to 31.03.2023 | Interest received on Loan | 2.05 | Arm's length basis |
| 2 | Nature of contracts/ arrangements/transaction | NA | 2 | Enzotech Solutions Private Limited | Loan refunded | From 01.04.2022 to 31.03.2023 | Loan refunded | 6.51 | Arm's length basis |
| 3 | Duration of the contracts/ arrangements/transaction | NA | 3 | | Sale | From 01.04.2022 to 31.03.2023 | Sale | 187.09 | Arm's length basis |
| 4 | Salient terms of the contracts or arrangements or transactions, including the value, if any | NA | 4 | | Purchase | From 01.04.2022 to 31.03.2023 | Purchase of Goods | 34.81 | Arm's length basis |
| 5 | Justification for entering into such contracts or arrangements or transactions | NA | 5 | | Loan Given | From 01.04.2022 to 31.03.2023 | Loan Given | 210.52 | Arm's length basis |
| 6 | Date of approval by the Board of Directors | NA | 6 | | Interest Received | From 01.04.2022 to 31.03.2023 | Interest on Loan Given | 15.94 | Arm's length basis |
| 7 | Amount paid as advances, if any | NA | 7 | | Interest Received | From 01.04.2022 to 31.03.2023 | Interest on Loan Given | 0.38 | Arm's length basis |
| 8 | Date on which the special resolution was passed in general meeting, as required under first proviso to Section 188 | NA | 8 | | Sale | From 01.04.2022 to 31.03.2023 | Sale | 436.53 | Arm's length basis |
| | | | 9 | | Loan Given | From 01.04.2022 to 31.03.2023 | Loan Given | 13.22 | Arm's length basis |
| | | | 10 | | Loan refunded | From 01.04.2022 to 31.03.2023 | Loan refunded | 13.22 | Arm's length basis |
| | | | 11 | | Advance Received | From 01.04.2022 to 31.03.2023 | Advance Received | 80.09 | Arm's length basis |
| | | | 12 | | Investment | From 01.04.2022 to 31.03.2023 | Investment | 100 | Arm's length basis |

By the Order of the Board
For Banka BioLoo Limited

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Annexure III

Energy Conservation, Technology Absorption, Foreign Exchange Earnings, and Outgo

The details regarding energy conservation, technology absorption, foreign exchange earnings and outgo, as required by Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are given as below.

A. Conservation of Energy

- I. Steps taken or impact on conservation of energy: The operations of the Company are not power intensive. However, the company is very careful in using the power, to reduce the cost of maintenance and conserve the resources. By making sustainability a core business value, the Company promotes a culture of responsible energy usage and set clear goals for reducing the carbon footprint.
- II. Steps taken by the Company for utilizing alternate sources of energy: As the Company does not have a huge manufacturing unit, there is no requirement for utilizing alternate sources of energy.
- III. Capital investment on energy conservation equipment: The Company has not made any investment and has not proposed any amount for reduction of consumption of energy.

B. Technology Absorption

| | |
|---|-----|
| I. The efforts made towards technology absorption | NIL |
| II. The benefits derived such as product improvement, cost reduction, product development or import substitution | NIL |
| III. In case of imported technology (imported during the last 3 years, reckoned from the beginning of the financial year), following information may be furnished | NIL |
| a). The details of technology imported | NIL |
| b). The year of import | NIL |
| c). Whether the technology been fully absorbed | NA |
| d). If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | NA |
| IV. The expenditure incurred on research and development | NIL |

C. Foreign Exchange Earning and Outgo

| Particulars | 2022-23 | 2021-22 |
|---------------------------|-----------|-----------|
| Foreign Exchange Earnings | 10,67,989 | - |
| Foreign Exchange Outgo | 54,41,000 | 89,26,522 |

By the Order of the Board
For Banka BioLoo Limited

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Annexure IV

Disclosure of Managerial Remuneration

Particulars of employees, pursuant to provisions of Section 197(12) of the Companies Act 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

(Rupees in Actual)

| Name of the Director | Designation | Remuneration | | | Ratio to median remuneration |
|-----------------------------|--|--------------|-----------|----------|------------------------------|
| | | 2022-23 | 2021-22 | % Change | |
| Mr. Sanjay Banka | Executive Chairman | 48,37,000 | 48,37,000 | - | 19.67 |
| Mrs. Namita Banka | Managing Director | 37,02,300 | 34,03,600 | 8.78 | 15.06 |
| Mr. Vishal Murarka | CEO & Executive Director | 45,19,800 | 43,10,920 | 4.85 | 18.38 |
| Mr. Akhilesh Kumar Tripathi | Executive Director | 30,09,996 | 28,07,000 | 7.23 | 12.24 |
| Mr. T V Rama Krishna | CFO & Executive Director | 29,16,000 | 27,07,000 | 7.72 | 11.86 |
| *Sri Bala Aditya Yanamandra | Company Secretary & Compliance Officer | 175,000 | 3,00,000 | - | 0.71 |
| *MS. Archana Arigela | Company Secretary & Compliance Officer | 325,000 | - | - | 1.32 |

Note: The Company has not paid any remuneration to the non-executive directors of the Company for the financial year 2022-23, except sitting fee.

**Mr. Sri Bala Aditya Yanamandra has resigned from the post of the Company Secretary & Compliance Officer, with effect from 14 November, 2022; and,*

**Ms. Archana Arigela was appointed as the Company Secretary & Compliance Officer of the Company, with effect from 15 November, 2022.*

B. The percentage increase in the median remuneration of employees in the financial year: **-1.25%**

C. The number of permanent employees on the rolls of Company: **685** (only core employees are considered).

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, and its comparison with the percentile increase in the managerial remuneration and justification thereof, and point out if there are any exceptional circumstances for increase in the managerial remuneration:
No such exceptions are reported in the year.

E. Affirmation that the remuneration is as per the remuneration policy of the Company.
The Company affirms remuneration paid is as per the remuneration policy of the Company.

Disclosure of Particulars of Employees

[Pursuant to Section 197(12) read with **Rule 5(2) and 5(3)** of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Particulars statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee, as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: **NIL**

**By the Order of the Board
For Banka BioLoo Limited**

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Annexure V

Management Discussion and Analysis

(Please Refer to Section B at page no. 20)



Annexure VI

Report on Corporate Governance

[Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:]

Our Philosophy on Code of Governance

The corporate governance philosophy of Banka BioLoo Limited ("the Company") is driven by the interest of stakeholders and business needs of the organization. We believe that corporate governance is essential for the growth, profitability and stability of any business. Aligning itself to this philosophy, the Company has placed corporate governance on a high priority.

The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital, not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company has, always, focused on good corporate governance, which is a key driver of sustainable corporate growth and long-term value creation for its stakeholders. The Company believes that corporate governance is not just limited to creating checks and balances; it is more about creating organizational excellence, leading to increased employee and customer satisfaction and shareholder value. The Company, always, endeavours to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision, and spark dynamism and entrepreneurship at all levels.

Board of Directors

As at 31 March 2023, our Board consists of 5 (five) Executive Directors and 5 (five) Non-Executive Independent Directors, including a Woman Independent Director. The Chairman of the Board is an Executive Director. The Board is constituted as per the corporate governance requirements of the SEBI (LODR) Regulations. As per the declarations received by the Company from each of the Directors, during the year under review, none of them are disqualified under Section 164(2) of the Companies Act, 2013. The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the SEBI (LODR) Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in listing regulations, and are independent of the management.

The information on the Board of Directors, required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations"), as amended, as on 31 March 2023 is stated below.

| Name of the Director | Category | Number of Board Meetings eligible during FY 2022-23 | Number of Board Meetings attended during FY 2022-23 | Whether attended the Annual General Meeting held on 29 September 2022 | Number of Directorships in other Public Companies | | Number of Committee positions in other Public Companies | | Directorship in other listed entity (Category of Directorship) |
|-----------------------------|------------------------------------|---|---|---|---|--------|---|--------|--|
| | | | | | Chairman | Member | Chairman | Member | |
| Mr. Sanjay Banka | Promoter - Executive | 6 | 6 | Yes | - | - | - | - | - |
| Mrs. Namita Banka | Promoter - Executive | 6 | 5 | Yes | - | - | - | - | - |
| Mr. Vishal Murarka | Promoter - Executive | 6 | 5 | Yes | - | - | - | - | - |
| Mr. Akhilesh Kumar Tripathi | Executive | 6 | 6 | Yes | - | - | - | - | - |
| Mr. T V Rama Krishna | Executive | 6 | 6 | Yes | - | - | - | - | - |
| Mr. Sanjay Gangwar | Non-Executive Independent Director | 6 | 6 | Yes | - | - | - | - | - |
| Mr. Kamalesh Sekhar | Non-Executive Independent Director | 6 | 2 | No | - | - | - | - | - |
| Dr. Dumpala Basava Raju | Non-Executive Independent Director | 6 | 3 | Yes | - | - | - | - | - |
| Ms. Aparajita Agrawal | Non-Executive Independent Director | 6 | 5 | No | - | - | - | - | - |
| **Mr. Sandip Poddar | Non-Executive Independent Director | 3 | 3 | No | - | - | - | - | - |
| *Mr. Anil Sharma | Non-Executive Independent Director | 3 | 3 | NA | - | - | - | - | - |

* Mr. Anil Sharma was appointed as Non-Executive Independent Director for a period of 5 years with effect from 1 October 2022, and

**Mr. Sandip Poddar ceased to be Non-Executive Independent Director of the Company, upon completion of his tenure of 5 (five) consecutive years, with effect from 31 October 2022.

- Mr. Sanjay Banka, Mrs. Namita Banka and Mr. Vishal Murarka are related to each other. Mrs. Namita Banka is spouse of Mr. Sanjay Banka. Mr. Vishal Murarka is brother of Mrs. Namita Banka. Except as stated herein, no other director is related to each other.
- No director of the Company holds any chairmanship/ membership in any other public limited company of India.
- No Independent Director has any pecuniary relationship, transaction, or association with the Company, which adversely affects one's independence.
- Non-Executive Directors i.e., the Independent Directors do not hold any share in the Company.

Details of the Board meetings:

During FY 2022-23, 6 (six) board meetings were held. Details are given below.

| Date of Board Meeting | Number of Directors entitled to attend | Number of Board Meetings attended during FY 2022-23 |
|-----------------------|--|---|
| 30 May 2022 | 10 | 9 |
| 10 Aug 2022 | 10 | 9 |
| 2 Sept 2022 | 10 | 9 |
| 14 Nov 2022 | 10 | 9 |
| 13 Feb 2023 | 10 | 6 |
| 27 Feb 2023 | 10 | 8 |

Independent Directors Meeting

The Independent Directors (IDs) conducted and held a meeting on 14 November 2022, without the presence of Non-Independent Directors, and members of the Management. At this meeting, the IDs, inter alia, evaluated the performance of the Non-Independent Directors, and the Board of Directors as a whole, and also evaluated the performance of the Chairman of the Board, and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Familiarization Program for Independent Directors

The Company has a familiarization program for Independent Directors, with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc., and the same is available on the website of the Company under weblink <https://www.bankabio.com/investors>

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management. During the year under review, no Independent Director has resigned before the expiry of one's tenure.

Core Competencies of the Board

In terms of the requirements of SEBI (LODR) Regulations, the Board identified list of core skills/ expertise/ competencies as required in the context of Company's business(es) and sector(s) for it to function effectively. Broadly, the essential skill sets, identified by the Board are categorized as under.

| Name of Director | Skills/Expertise/Core Competencies |
|-----------------------------|---|
| Mr. Sanjay Banka | <ul style="list-style-type: none"> Leadership and general management Business and domain expertise Fund-raise and financial management Strategic and business planning Corporate governance, risk and compliance Stakeholder engagement National and global partnerships |
| Mrs. Namita Banka | <ul style="list-style-type: none"> Leadership and general management Business and domain expertise Strategic and business planning Stakeholder engagement National and global partnerships Risk management |
| Mr. Vishal Murarka | <ul style="list-style-type: none"> Leadership and general management Business and domain expertise Strategic and business planning Corporate governance, risk and compliance Stakeholder engagement Financial and fund raising |
| Mr. T V Rama Krishna | <ul style="list-style-type: none"> Accounts, finance and taxation Fund raising Risk mitigation and compliance Leadership and management |
| Mr. Akhilesh Kumar Tripathi | <ul style="list-style-type: none"> Business and domain expertise Leadership and management Strategic and business planning Project execution |
| Mr. Sandip Poddar | <ul style="list-style-type: none"> Corporate governance Leadership and operational experience Market and competitive intelligence |
| Mr. Sanjay Kumar Gangwar | <ul style="list-style-type: none"> Accounts and finance Corporate structuring, business re-structuring Tax planning and risk mitigation Industry experience, strategic planning Corporate governance, risk and compliance |
| Mr. Kamalesh Sekhar | <ul style="list-style-type: none"> Corporate structuring, business re-structuring Fund raising Tax planning |
| Dr. Basava Raju Dumpala | <ul style="list-style-type: none"> Leadership and general management Marketing and sales management Executive coaching and mentoring |
| Ms. Aparajita Agrawal | <ul style="list-style-type: none"> Leadership and general management Business and domain expertise Strategic and business planning Stakeholder engagement Philanthropy, social and impact investing |
| Mr. Anil Sharma | <ul style="list-style-type: none"> CSR and sustainability Business and domain expertise Strategic and business planning |

Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management is annexed to this report.

Committees of the Board

Audit Committee

The terms of reference of the Audit Committee cover the areas, as contemplated in Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as applicable, besides other terms as referred by the Board of Directors. The Committee, mandatorily, reviews information, which, *inter alia*, includes internal audit reports related to internal control weakness, management discussion and analysis of financial conditions, and results of operations, statement of significant related party transactions, appointment and removal of the auditors, and such other matters as prescribed from time to time. All the recommendations made by the Audit Committee were accepted by the Board.

The Audit Committee, presently, comprises three Independent Directors, and one Executive Director; and the Chairman of the Audit Committee is an Independent Director. All members of the Audit Committee are financially literate and have related financial management expertise by virtue of their experience and background.

During the year, the Committee met 6 (Six) times i.e., on 30 May 2022, 10 August 2022, 2 September 2022, 14 November 2022, 13 February 2023, 27 February 2023. The composition of the Audit Committee on 31 March 2023, and details of its meetings are provided hereunder.

| Name of the Member | Chairman/ Member | Category of the Director | Number of Meetings entitled to Attend | Meetings Attended |
|--------------------------|------------------|---------------------------|---------------------------------------|-------------------|
| Mr. Sanjay Kumar Gangwar | Chairman | Non-Executive Independent | 6 | 6 |
| *Mr. Sandip Poddar | Member | Non-Executive Independent | 3 | 3 |
| #Ms. Aparajita Agrawal | Member | Non-Executive Independent | 3 | 3 |
| ^Mr. Anil Sharma | Member | Non-Executive Independent | 2 | 2 |
| Mr. T V Rama Krishna | Member | Executive Director | 6 | 6 |

* Mr. Sandip Poddar was a member of the Audit Committee up to 31 October 2022;
 #Ms. Aparajita Agrawal was appointed as a member of the Audit Committee with effect from 2 November 2022;
 ^Mr. Anil Sharma, was appointed as a member of the Audit Committee effective from 15 November 2022;
 -Mr. Sri Bala Aditya Yanamandra was the Secretary of the Committee of the Audit Committee up to 14 November 2022;
 -Ms. Archana Arigela was appointed as Secretary of the Committee effective from 15 November 2022.

The maximum gap between any two meetings was less than 120 days. The Statutory Auditor, the Internal Auditor are also invited to the meetings of the Audit Committee.

Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee covers the areas, as contemplated in Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, besides other terms as referred by the Board of Directors, and include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board; formulation of criteria for evaluation of Independent Directors and the Board; identification of persons who are qualified to become directors, and who may be appointed in senior management roles, in accordance with the criteria laid down, and recommending to the Board their appointment, removal, and noting their cessation; recommending to the Board on extension or continuation of the terms of appointment of the independent directors; and carrying out any other function, as referred by the Board from time to time, or enforced by any statutory notification / amendment or modification, as may be applicable.

The Nomination and Remuneration Committee consists of three Non-Executive Independent Directors. During the year, the Committee met twice on 2 September 2022 and 14 November 2022.

The composition of the Nomination and Remuneration Committee on 31 March 2023, and details of its meetings are provided hereunder.

| Name of the Member | Chairman/ Member | Category of the Director | Number of Meetings Entitled to Attend | Meetings Attended |
|--------------------------|------------------|---------------------------|---------------------------------------|-------------------|
| Dr. Basava Raju Dumpala | Chairman | Non-Executive Independent | 2 | 1 |
| Mr. Sanjay Kumar Gangwar | Member | Non-Executive Independent | 2 | 2 |
| *Mr. Sandip Poddar | Member | Non-Executive Independent | 1 | 1 |
| #Mr. Anil Sharma | Member | Non-Executive Independent | 1 | 1 |

* Mr. Sandip Poddar was a member of the Nomination and Remuneration Committee up to 31 October 2022,
 #Mr. Anil Sharma, was appointed as a member of the Nomination and Remuneration Committee, effective from 2 November 2022.

Salient Features of Nomination and Remuneration Policy and Weblink

The contents of the Nomination and Remuneration Policy are available at <https://bankabio.com/wp-content/uploads/2022/09/Nomination-Remuneration-Policy.pdf> . The Policy includes guiding the Board in relation to appointment, removal of Directors, KMP and senior Management, and their remuneration, including criteria for determining qualifications, positive attributes, independence of a director, and other matters provided in Section 178(3) of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are covered in the Policy.

Performance evaluation of the Independent Directors

Performance evaluation criteria for Independent Directors is as per the Nomination and Remuneration Policy. Performance evaluation of Independent Directors is done by the entire Board.

Stakeholders' Relationship Committee

The terms of reference of the Stakeholders Relationship Committee, inter alia, include resolving the grievances of the security holders of the listed entity, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the listed entity, in respect of various services being rendered by the Registrar & Share Transfer Agent; review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends, and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

The remit of the Stakeholders Relationship Committee is to consider and resolve the grievances of the security-holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

During the financial year, the committee met on 2 September 2022.

The composition of the Stakeholders Relationship Committee as on 31 March 2023, and details of its meetings are provided hereunder.

| Name of the Member | Chairman/ Member | Category of the Director | Number of Meetings entitled to Attend | Meetings Attended |
|-----------------------------|------------------|---------------------------|---------------------------------------|-------------------|
| Dr. Basava Raju Dumpala | Chairman | Non-Executive Independent | 1 | 1 |
| Mr. Vishal Murarka | Member | Executive Director | 1 | 1 |
| Mr. Akhilesh Kumar Tripathi | Member | Executive Director | 1 | 1 |
| *Mr. Anil Sharma | Member | Non-Executive Independent | 0 | 0 |

*Mr. Anil Sharma, was appointed as a member of the Stakeholders Relationship Committee, effective from 15 November 2022.

Ms. Archana Arigela is the Company Secretary & Compliance Officer.

The Company attends to the investors' grievances/ correspondence expeditiously. The Company has not received any complaint from the shareholders during the financial year 2022-23. There is no complaint pending as on 31 March 2023.

| Period | Complaints / grievances/ requests pending or received | Complaints / grievances/ requests resolved | Complaints / grievances/ requests pending as on 31 March 2023 |
|----------------|---|--|---|
| First Quarter | 0 | 0 | 0 |
| Second Quarter | 0 | 0 | 0 |
| Third Quarter | 0 | 0 | 0 |
| Fourth Quarter | 0 | 0 | 0 |

matters, as may be referred by the Board of Directors, and discharges the roles, as prescribed under Section 135 of the Companies Act, 2013, which include formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy, indicating the activities to be undertaken by the Company, in conformity with Schedule VII of the Companies Act, 2013 and rules thereof; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. The brief outline of the CSR Policy of the Company, and the initiatives undertaken by the Company on CSR during the financial year are set out in Annexure VIII to the Board's Report, in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the financial year under review, the CSR Committee meeting was held on 2 September 2022 and 13 February 2023. The composition of the CSR Committee on 31 March 2023, and details of its meetings are provided hereunder.

| Name of the Member | Chairperson/ Member | Category of the Director | Number of Meetings entitled to Attend | Meetings Attended |
|-----------------------|---------------------|---------------------------|---------------------------------------|-------------------|
| Mrs. Namita Banka | Chairperson | Executive Director | 2 | 2 |
| Ms. Aparajita Agrawal | Member | Non-Executive Independent | 2 | 2 |
| *Mr. Sandip Poddar | Member | Non-Executive Independent | 1 | 1 |
| #Mr. Anil Sharma | Member | Non-Executive Independent | 1 | 1 |

* Mr. Sandip Poddar was a member of the CSR Committee up to 31 October 2022,
#Mr. Anil Sharma, was appointed as a member of the CSR Committee, effective from 2 November 2022.

Your company is not required to constitute Risk Management Committee.

Senior Management

Particulars of the Senior Management including the changes therein since the close of previous financial year:

Following constitutes the Senior Management of the Company:

Corporate Social Responsibility (CSR) Committee

CSR Committee is constituted in line with the provisions of Section 135 of the Act. The Committee oversees, inter alia, corporate social responsibility and other related

| Name | Department | Designation | Date of Appointment |
|-------------------------|-------------|--|---------------------|
| T V Rama Krishna | Finance | CFO & Executive Director | 01/08/2016 |
| Archana Arigela | Secretarial | Company Secretary & Compliance Officer | 15/11/2022 |
| Shreepad Narayan Purkar | Operations | Sales Consultant | 09/03/2022 |
| Vineet Murarka | Operations | AVP - Operations | 01/10/2018 |
| Harish Babu Alapati | Sales & BD | AVP - Sales & BD - FSM | 12/02/2018 |
| Shailesh Kaushik | Sales & BD | AVP - Projects | 10/04/2019 |
| Anil Kumar Mishra | Operations | AGM - Design & Engineering | 16/08/2021 |
| Karanam Pratap Kumar | Procurement | DGM - Procurement | 11/10/2021 |
| Singam Nagendra Babu | Operations | Chief Manager - Railways | 01/04/2013 |
| Danagoni Sravan Goud | Finance | Chief Manager - Finance & Accounts | 01/02/2022 |

Following are the Changes in the Senior Management during the F.Y. 2022-23:

| Name | Department | Designation | Date of Change | Change |
|----------------------------|-------------|--|----------------|-------------|
| Sri Bala Aditya Yanamandra | Secretarial | Company Secretary & Compliance Officer | 14/11/2022 | Cessation |
| Archana Arigela | Secretarial | Company Secretary & Compliance Officer | 15/11/2022 | Appointment |

Directors' Remuneration

The details of remuneration paid or payable to the Directors for the financial year ended 31 March 2023 are as under.

| Name of Director | Salary | Perquisites and other benefits | Commission | Sitting fee | Total |
|--------------------|-----------|--------------------------------|------------|-------------|------------------|
| Mr. Sanjay Banka | 48,37,000 | - | - | - | 48,37,000 |
| Mrs. Namita Banka | 37,02,300 | - | - | - | 37,02,300 |
| Mr. Vishal Murarka | 45,19,800 | - | - | - | 45,19,800 |

| | | | | | | |
|-----------------------------|-----------|---|---|--------|--------|------------------|
| Mr. Akhilesh Kumar Tripathi | 30,09,996 | - | - | - | - | 30,09,996 |
| Mr. T. V. Rama Krishna | 29,16,000 | - | - | - | - | 29,16,000 |
| Mr. Sandip Poddar | - | - | - | 30,000 | 30,000 | 30,000 |
| Mr. Sanjay Kumar Gangwar | - | - | - | 30,000 | 30,000 | 30,000 |
| Mr. Kamalesh Sekhar | - | - | - | 10,000 | 10,000 | 10,000 |
| Dr. Basava Raju Dumpala | - | - | - | 30,000 | 30,000 | 30,000 |
| Ms. Aparajita Agrawal | - | - | - | 30,000 | 30,000 | 30,000 |
| Mr. Anil Sharma | - | - | - | - | - | - |

The remuneration paid/payable to directors are within the limits approved by the shareholders. The Independent Directors receive remuneration by way of sitting fees, as stated above.

During the financial year 2022-23, the Non-Executive Directors were paid sitting fee of Rs. 10,000 for attending each meeting of the Board.

The sitting fee paid to Independent Directors was fixed by the Board and is within the limits prescribed. Hence, the same was not subject to shareholders' approval in the general meeting.

The criteria for making payments to Non-Executive Directors are made available on the website of the company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/Criteria-for-Making-Payment-to-Non-Executive-Directors.pdf>

There was no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, other than payment of Board fees and no investments in shares / securities of the Company.

The Company has not provided any stock options to its directors.

The information relating to remuneration and other details, required pursuant to Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is provided as an Annexure III to the Board Report.

General Body Meetings

a) Details of place, date and time of Annual General Meetings held during the last three years:

Annual General Meetings

| Financial Year | No. | Date | Day | Time | Venue |
|----------------|----------|-------------------|-----------|----------|--|
| 2018-19 | 7th AGM | 27 September 2019 | Friday | 11.00 AM | Corporate office: 56, Nagarjuna Hills, Punjagutta, Hyderabad -500082 |
| 2019-20 | 8th AGM | 16 September 2020 | Wednesday | 3.00 PM | Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) |
| 2020-21 | 9th AGM | 29 September 2021 | Wednesday | 5.00 PM | Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) |
| 2021-22 | 10th AGM | 29 September 2022 | Thursday | 5.00 PM | Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) |

Special Resolutions passed in the previous three Annual General Meetings

| | |
|------|--|
| 2020 | a) Appointment of Dr. Basava Raju Dumpala (DIN 03303947) as a Non-Executive Independent Director. |
| | b) Authority to extend loan(s) and give guarantee(s) or provide securities in terms of provisions of Section 185 of the Companies Act, 2013. |
| 2021 | a) Re-appointment of Mr. Sanjay Banka as Executive Director, designated as Executive Chairman of the Company, for a period of 3 years, and approve the terms and remuneration of such appointment. |
| | b) Re-appointment of Mrs. Namita Banka as Managing Director of the Company for a period of 3 years, and approve the terms and remuneration of such appointment. |
| | c) Re-appointment of Mr. Akhilesh Tripathi as Executive Director of the Company for a period of 3 years, and approve the terms and remuneration of such appointment. |
| | d) Re-appointment of Mr. T V Rama Krishna as Executive Director, designated as Chief Financial Officer of the Company for a period of 3 years, and approve the terms and remuneration of such appointment. |
| 2022 | a) Appointment of Mr. Anil Sharma (DIN 09490844) as a Non-executive Independent Director of the Company, for a term of 5 years; |
| | b) Re-appointment of Mr. Vishal Murarka as Executive Director, designated as Chief Executive Officer (CEO) of the Company, for a period of 3 years; |
| | c) Approval of Related Party Transactions in terms of provisions of Section 188 of the Companies Act, 2013. |

Special Resolutions passed previous year

(a) During the previous year, the shareholders of the Company, approved the following special resolutions in the Extra-ordinary General Meeting (EGM) of the Members held on 20 March 2022 through video conferencing ("VC") / other audio-visual means ("OAVM") –

Details of the Resolution passed**Approval for issue of equity shares on preferential basis**

Mr. M Ramana Reddy, Practicing Company Secretary, was appointed as Scrutinizer to scrutinize the e-Voting process, and voting at the EGM in a fair and transparent manner, wherein the said resolution, as proposed, was passed as Special resolution, pursuant to the General Circular Numbers 20/2021, 14/2020, 17/2020 and 22/2020 dated 8 April 2020, 13 April 2020, and 15 June 2020, respectively, issued by the Ministry of Corporate Affairs (the "MCA Circulars. The voting results of the EGM were declared on 21 March 2022.

Details of voting of the special resolution, passed in aforesaid EGM:

| No. of votes | Votes polled in favour | | Votes polled against | | Invalid Votes | | |
|------------------|------------------------|--------------|----------------------|--------------|---------------|--------------|------------|
| | Polled | No. of Votes | % of votes | No. of Votes | % of votes | No. of Votes | % of votes |
| 66,24,175 | 66,24,175 | 100 | | 0 | 0 | 0 | 0 |

Means of Communication

Your Company maintains a website www.bankabio.com, wherein there is a dedicated section 'Investors' (<https://bankabio.com/investors/>). The website provides the information/ documents required to be placed as per the SEBI (LODR) Regulations.

Financial Results

Statutory notices, press releases, financial results, submitted to stock exchange, are generally published in widely circulated English newspapers such as Business Standard, Financial Express, and also in widely circulated vernacular newspapers such as Nava Telangana, within the prescribed timelines of listing regulations. The results are, also, displayed on the Company's website <https://bankabio.com/investors/>.

All periodic information, including the statutory filings and disclosures, are filed with NSE. No news release and presentation were, either, made to institutional investors or was displayed on the website.

Financial Calendar Adoption of Quarterly results for the quarter ending /year ended:

| | |
|-------------------|------------------|
| 30 June 2022 | 10 August 2022 |
| 30 September 2022 | 14 November 2022 |
| 31 December 2022 | 13 February 2023 |
| 31 March 2023 | 30 May 2023 |

The Management Discussion and Analysis Report is a part of this integrated Annual Report.

General Shareholder Information

Annual General Meeting: The 11th AGM of the members of the Company will be held on Monday, 25 September 2023 at 3 PM (15:00 hours) IST through video conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

Financial Year: April to March

Date of Book Closure: 19 September 2023 to 24 September 2023

Dividend payment date: The Company has not declared dividend this year.

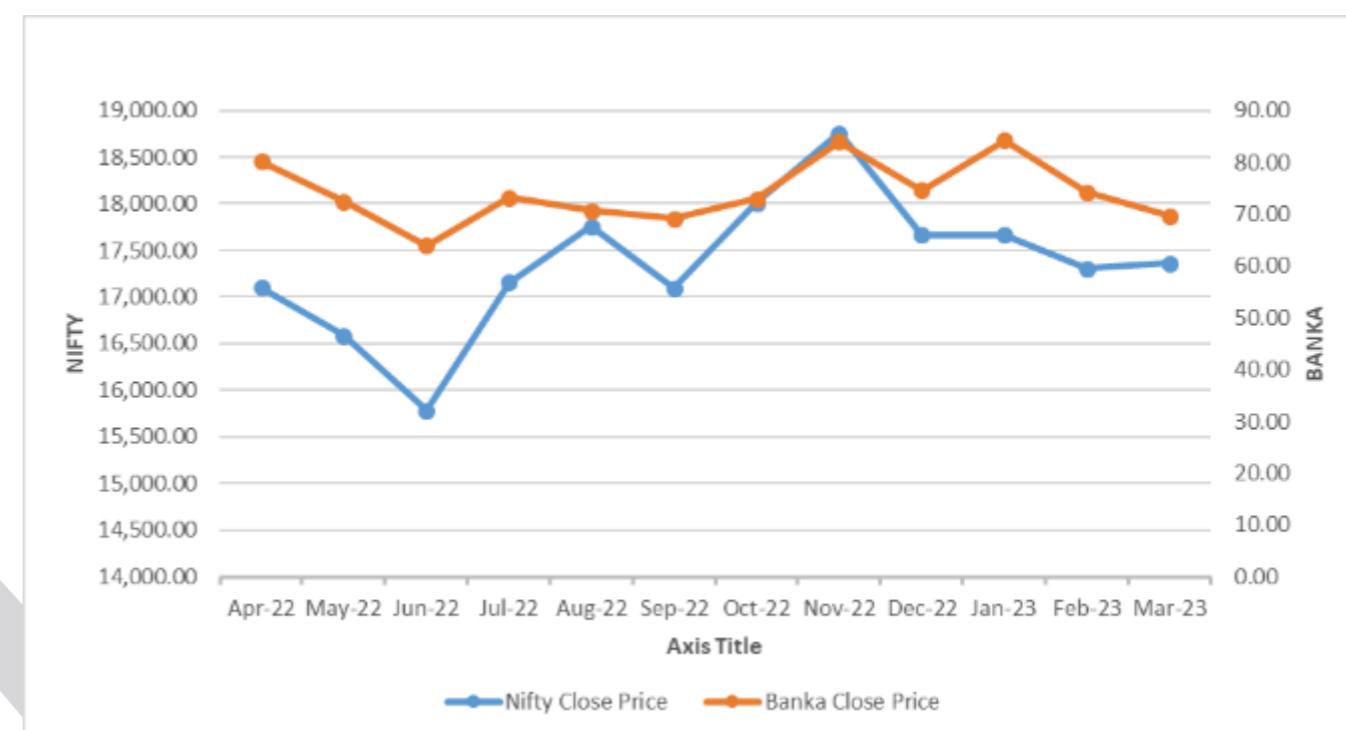
Listing on stock exchange(s): The Company's shares are listed on National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400001.

Stock Code: BANKA

Market Price Data: High, Low during each month in the financial year 2022-23

| Month | High | Low | Closing |
|--------|--------|-------|---------|
| Apr-22 | 92.70 | 76.50 | 80.15 |
| May-22 | 80.00 | 67.10 | 72.50 |
| Jun-22 | 84.20 | 61.25 | 63.90 |
| Jul-22 | 88.40 | 61.10 | 73.25 |
| Aug-22 | 77.95 | 70.10 | 70.65 |
| Sep-22 | 88.50 | 66.05 | 69.15 |
| Oct-22 | 74.35 | 68.05 | 73.00 |
| Nov-22 | 92.65 | 71.00 | 84.00 |
| Dec-22 | 85.75 | 70.00 | 74.60 |
| Jan-23 | 100.65 | 74.70 | 84.30 |
| Feb-23 | 85.85 | 74.00 | 74.25 |
| Mar-23 | 81.00 | 67.10 | 69.70 |

Performance of share price in comparison with broad-based indices such as NSE NIFTY



Suspension from trading

During the financial year the Company shares were not under suspension from trading.

Registrar and Share Transfer Agents:

Bigshare Services Private Limited
06, Right Wing, 3rd Floor, Amrutha Ville
Opp. Yashoda Hospital, Somajiguda
Raj Bhavan Road, Hyderabad - 500082
Website: www.bigshareonline.com

Share Transfer System

Share transfers are registered and returned within a period of 15 days from the date of receipt, provided documents are correct and valid in all respects. Thereby, the average time taken in transfer of shares is 15 days. The depositories, directly, transfer the de-materialized shares to the beneficiaries.

A certificate, on half-yearly basis, confirming due compliance of share transfer formalities by the Company from a practicing company secretary, as required under Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is obtained from P. S. Rao & Associates, Practising Company Secretaries, Hyderabad and submitted to National Stock Exchange within stipulated time.

Distribution of Shareholding as on 31 March 2023

| Range of equity shares | No. of shareholders | % of shareholders | No. of shares | % of holding |
|------------------------|---------------------|-------------------|---------------|--------------|
| 1-500 | 3,254 | 87.88 | 273,781 | 2.52 |
| 501-1,000 | 191 | 5.16 | 155,829 | 1.44 |
| 1,001-2,000 | 102 | 2.75 | 148,642 | 1.37 |
| 2,001-3,000 | 63 | 1.70 | 175,172 | 1.61 |
| 3,001-4,000 | 12 | 0.32 | 44,138 | 0.41 |
| 4,001-5,000 | 14 | 0.38 | 65,202 | 0.60 |
| 5,001-10,000 | 17 | 0.46 | 115,986 | 1.07 |
| More than 10,000 | 50 | 1.35 | 9,867,832 | 90.98 |

Shareholding Pattern as on 31 March 2023

| S. No. | Category of shareholder | No. of shareholders | No. of shares held | % of share holding |
|--------------|-------------------------------------|---------------------|--------------------|--------------------|
| A | Promoter & Promoter Group | 5 | 5984094 | 55.17 |
| B | Public | 3649 | 4862488 | 44.83 |
| C | Non-Promoter - Non-Public | - | - | - |
| | (i) Shares underlying DRs | - | - | - |
| | (ii) Shares held by Employee Trusts | - | - | - |
| Total | | 3654 | 10846582 | 100 |

Dematerialisation and Liquidity

Securities and Exchange Board of India has, vide proviso to Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandated that requests for effecting transfer of securities shall not be processed, unless the securities are held in the dematerialized form with a depository, except in case of transmission or transposition of securities. All the shares of your Company are in demat mode.

Re-materialisation of Shares

During the year under review, no request was received for re-materialisation of shares.

Outstanding: GDR/ADR/Warrants/Options/any convertible instrument

As on 31 March 2023, the Company has no GDR /ADR/Warrants/ Options/any other convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities: Not Applicable**Plants**

| | |
|----------------------------|--|
| Factory - Hyderabad | Shed No. 37, Survey No. 125 Road No. 7, IDA, Mallapur, Medchal Malkajigiri Hyderabad - 500076 Telangana |
| Factory - Aler | Survey No. 988U1, Kolanpakk Village Aler Mandal, Dist - Yadadri Bhuvangiri PIN - 508101 Telangana |

Address for Correspondence

Corporate Office: 5th Floor, Prestige Phoenix, 1405, Uma Nagar, Begumpet,
Hyderabad - 500016

Credit ratings obtained by the entity, along with any revisions thereto, during the relevant financial year, for all debt instruments of such entity, or any fixed deposit programme, or any scheme or proposal of the listed entity, involving mobilization of funds, whether in India or abroad - **Nil**

Other Disclosures

No related party transaction was entered into by the Company, which is materially significant that may have potential conflict with the interests of the listed entity, at large. The disclosures of all related party transactions are set out in notes forming part of the financial statements. The Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the website of the Company, under the weblink <https://www.bankabio.com/investors>.

We, hereby, affirm that there is no non-compliance by the Company and/or no penalties, strictures were imposed on the Company by National Stock Exchange or SEBI, or any statutory authority, or any matter related to capital markets during the last three years.

Establishment of Vigil Mechanism

The Company has adopted a whistle-blower policy, establishing a vigil mechanism to provide a formal mechanism to the directors and employees to report concern about unethical behaviour, actual or suspected fraud, or violation of code of conduct and ethics. It, also, provides for adequate safeguards against the victimization of employees, who avail of the mechanism, and provides direct access to the Chairman of the Audit Committee in exceptional cases.

The Company has established a vigil mechanism for reporting concerns through the whistle-blower policy of the Company. The policy provides for a framework and process, for the employees and directors, to report genuine concerns or grievances about illegal and unethical behaviour.

The whistle-blower policy aims to conduct the affairs in a fair and transparent manner by adopting higher standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered by the whistle-blower policy. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website under the weblink https://bankabio.com/wpcontent/uploads/2022/12/Whistle_Blower_Policy.pdf

The Company has complied with the mandatory requirements of listing regulations. Further, the Company is also trying to put its best endeavour to comply with non-mandatory requirement(s).

Policy for determining material subsidiaries of the Company is available on the website of the Company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/Policy-on-Determining-Material-Subsidiary.pdf>

Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the website of the Company under the weblink <https://bankabio.com/wp-content/uploads/2022/09/Material-Event-or-Information-Policy.pdf>

Commodity price risk or foreign exchange risk and hedging activities: **Not Applicable**

During the financial year under review, the Company has not raised any fund through financial preferential allotment, or qualified institutional placement, as specified in Regulation 32 (7 A).

Certificate stating that no Director on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs, or any such statutory authority, issued by P. S. Rao & Associates, Practicing Company Secretaries, Hyderabad, is annexed with this report.

During the financial year under review, there is no such instance that the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required.

Remuneration to Statutory Auditors (Rs. In actuals)

| Particulars | Amount |
|--|----------|
| Total fees paid by the Company and its subsidiaries on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity, of which statutory auditor is part | 4,47,500 |

During the financial year under review, the Company has not received any compliant on sexual harassment.

- number of complaints filed during the financial year - Nil
- number of complaints disposed of during the financial year – NA
- number of complaints pending as on end of the financial year – NA

Details of loans and advances in the nature of loans to firms/companies, in which directors are interested are provided in the notes to the financial statements forming part of the Annual Report.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory.

| Name of the Subsidiary/ Joint Venture/Associate | Relationship | Date and Place of Incorporation | Name and Date of appointment of the statutory auditors |
|--|-------------------------|-------------------------------------|--|
| Enzotech Solutions Private Limited (Material Subsidiary) | Wholly-owned Subsidiary | 26/04/2006 Chennai, Tamil Nadu (IN) | Chandramouli and Associates LLP 30/09/2022 |

The certificate, in terms of Regulation 17(8), read with Part B of Schedule II of the listing regulations, is annexed to this report.

All the requirements of Corporate Governance Report, as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, have been complied with.

There has been no instance of non-compliance of any requirement of Corporate Governance Report, as prescribed under SEBI (LODR) Regulations, 2015.

Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

Adoption of Non-Mandatory Requirements as Stipulated in Part E of Schedule II of SEBI (LODR) Regulations

a. Shareholder Rights

Half-yearly financial results are forwarded to the stock exchange, published in newspapers and uploaded on the website of the Company, like quarterly results.

b. Reporting of Internal Auditor

Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and attends the Meetings for reporting their findings.

By the Order of the Board
For Banka Bio Limited

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Hyderabad, 25 August 2023

Board Confirmation

(Pursuant to Regulation 34(3) and Schedule V Para C clause (2)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Based on the assessment carried out by the Board of Directors of the Company ("Board"), and the declarations of independence submitted by the Independent Directors, this is to confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations, and are independent of executive management of the Company.

For and on behalf of the board
Banka BioLoo Limited

Sd/-
Namita Banka
Managing Director
DIN: 5017358

Date: 25 August 2023
Place: Hyderabad

Declaration

Compliance with the Company's Code of Conduct

(Pursuant to Regulation 34(3) and Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I, Vishal Murarka, Chief Executive Officer of Banka BioLoo Limited ("the Company"), hereby, confirm that the Board has laid down a Code of Conduct for all Board members, Senior Management and Independent Directors of the Company, in accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Companies Act, 2013. The Code of Conduct is available on the website of the Company.

I, further hereby, confirm that all the Board of Directors and the senior management personnel have affirmed compliance with the code of conduct and ethics for the financial year ended 31 March 2023.

For and on behalf of the board
Banka BioLoo Limited

Sd/-
Vishal Murarka
Chief Executive Officer & Executive Director
DIN: 06729485

Date: 25 August 2023
Place: Hyderabad

Compliance Certificate

[Under Regulation 17(8) and 33(2) (a) of SEBI (LODR) Regulation, 2015]

(Pursuant to Regulation 34(3) and Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A) We have reviewed the un-audited financial statements (both standalone and consolidated) ("financial statements") for the quarter and financial year ended 31 March, 2023 ("the quarter"), and that to the best of our knowledge and belief:

- i. These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These financial statements, together, present a true and fair view of the listed entity's affairs, and are in compliance with existing accounting standards, applicable laws and regulations.

B) We confirm that to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and financial year ended 31 March, 2023, are fraudulent, illegal or violative of the Company's code of conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting, and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, and the steps that we have taken or propose to take to rectify these deficiencies commensurate with the size of the organization.

D) We have indicated to the Auditors and the Audit Committee that:

- i. There have been no significant changes in internal control over financial reporting during the year.
- ii. There have been no significant changes in accounting policies during the year.
- iii. There have been no instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Banka BioLoo Limited

Sd/-
Vishal Murarka
Chief Executive Officer
(DIN: 06729485)

Sd/-
T. V. Rama Krishna
Chief Financial officer
(DIN: 07977695)

30.05.2023, Hyderabad

Certificate on Non-Disqualification of Directors

(Pursuant to Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Banka BioLoo Limited
Plot No. 11-4-651
A-109 Express Apartments
Lakdi ka Pool
Hyderabad - 500004

We have examined the relevant registers, records, forms, returns and disclosures, received from the Directors of Banka BioLoo Limited (CIN: L90001TG2012PLC082811), having registered office at Plot No. 11-4-651, A-109 Express Apartments, Lakdi ka Pool, Hyderabad - 500004 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion, and to the best of our information, and according to the verifications (including Directors Identification Number (DIN) status on the MCA portal), as considered necessary and explanations furnished to us by the Company, and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31 March 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

For P. S. Rao and Associates
Practicing Company Secretaries

Sd/-
M Ramana Reddy
F-11891
CP No. 18415

10 August 2023, Hyderabad
UDIN: F011891E000774708

Certificate on Corporate Governance

(Pursuant to Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Banka BioLoo Limited
Plot No. 11-4-651
A-109 Express Apartments
Lakdi ka Pool
Hyderabad - 500004

We have examined the compliance of conditions of corporate governance by Banka BioLoo Limited ('the Company') for the year ended 31 March 2023, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('listing regulations'), as referred to in Regulation 15(2) of the said regulations.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion, and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance, as stipulated in the above-mentioned listing regulations.

We, further, state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. S. Rao and Associates
Practicing Company Secretaries

Sd/-
M Ramana Reddy
F-11891
CP No. 18415

10 August 2023, Hyderabad
UDIN: F011891E000774708

Annexure VII

Form No. MR-3

Secretarial Audit Report: For the financial year ended 31 March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Banka BioLoo Limited ("the Company")
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Banka BioLoo Limited, (hereinafter called the Company) for the financial year ended 31 March 2023. Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's books, papers, minutes books, forms and returns filed, and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2023, complied with the statutory provisions listed hereunder, and also that the Company has proper Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

We herewith report that maintenance of proper and updated Books, Papers, Minute Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon

We have examined on test check basis the books, papers, minute books, forms and returns filed and other records maintained by Banka BioLoo Limited ("the Company") for the financial year ended 31 March 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, to the extent of foreign direct investment, overseas direct investment and external commercial borrowings;
- v. The following regulations and guidelines, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, and dealing with client; (Not applicable to the Company during the audit period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period) and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have, also, examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, read along with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We, further, report that, having regard to the compliance system prevailing in the Company, and on examination of the relevant documents and records, in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company.

Other specifically applicable laws to the Company:

- a) The Copyright Act, 1957
- b) The Trade Marks Act, 1999
- c) Transfer of Property Act, 1882
- d) The Registration Act, 1908
- e) The Indian Contract Act, 1872
- f) The Specific Relief Act, 1963
- g) Consumer Protection Act, 1986
- h) Competition Act, 2002

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Following are the changes in the composition of the Board of Directors that took place during the period under review –

| Name of Director | Designation | Nature of Change | Effective Date |
|--------------------|------------------------------------|---|-----------------|
| Mr. Vishal Murarka | Executive Director & CEO | Re-appointment | 1 October 2022 |
| Mr. Anil Sharma | Non-Executive Independent Director | Appointment | 1 October 2022 |
| Mr. Sandip Poddar | Non-Executive Independent Director | Cessation (due to completion of term of 5(five) consecutive years | 31 October 2022 |

The appointment / re-appointment of the Directors took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Meetings at shorter Notice, if any, are conducted with adequate consent of the Directors and the necessary compliances under the Act and Secretarial Standards on Board Meeting are complied with.

During the year under review, Directors/ Members have participated in the Board/ Committees meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company. Further, in the minutes of the General Meeting, the number of votes cast against the resolution(s) by the members have been recorded.

We, further, report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We, further, report that the above-mentioned Company being a listed entity this report is also issued pursuant to Regulation 24A of the SEBI (LODR), 2015 Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We, further, report that the Company have a Material Unlisted Subsidiary Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of the SEBI (LODR), 2015 namely Enzotech Solutions Private Limited. However, the Secretarial Audit of such Material Unlisted Subsidiary is NOT carried out from our end.

For P. S. Rao & Associates
Practicing Company Secretaries

Sd/-

M Ramana Reddy
FCS - 11891
CP No. 18415

10 August 2023, Hyderabad
UDIN: F011891E000774730

PR: 3572/2023

'Annexure A' to Secretarial Audit Report

To,
 The Members
Banka BioLoo Limited ("the Company")
 Hyderabad

Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations, and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. We have followed the audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

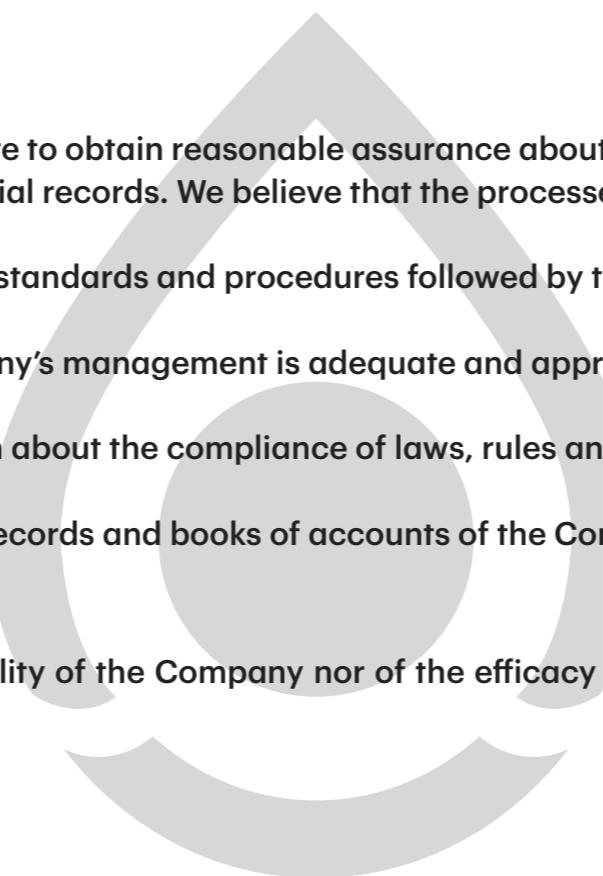
4. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations, and happening of events etc.

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



For P. S. Rao & Associates

Practicing Company Secretaries

Sd/-

M Ramana Reddy

FCS - 11891

CP No. 18415

Hyderabad, 10 August 2023

UDIN: F011891E000774730

PR: 3572/2023

Annexure VIII

Form No. MR-3

SECRETARIAL AUDIT REPORT Of UNLISTED MATERIAL SUBSIDIARY: For the financial year ended 31 March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

Enzotech Solutions Private Limited

No.21, First floor, Srinivasa Nagar,
Kandanchavadi, Chennai 600096.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Enzotech Solutions Private Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Enzotech Solutions Private Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Enzotech Solutions Private Limited** ("The Company") for the Financial Year ended on 31 March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder.
- ii. The Securities Contracts (**Regulation**) Act, 1956 ('**SCRA**') and the Rules made thereunder; (**Not applicable**)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (**Not applicable**)
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not applicable**)
- v. The following Regulations and Guidelines prescribed under the Securities and Ex-

change Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not applicable**)
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; (**Not applicable**)
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable**)
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not applicable**)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable**)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable**)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018; (**Not applicable**)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable**)
- vi. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
 - a. Employees' State Insurance Act, 1948, and rules made there under,
 - b. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
 - c. Professional Tax Act.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.

ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited. (**Not applicable**)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above.

We further report that, the Board of Directors of the Company is duly constituted.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions of the Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Note: The threshold limits prescribed under Section 204 of the Companies Act, 2013 on requirement to conduct the Secretarial Audit is not applicable to the Company. However, the Company being a material unlisted subsidiary of Banka BioLoo Limited, a listed entity, the reported Secretarial Audit has been conducted in pursuance of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on Behalf of Nuren Lodaya & Associates

Name: Nuren Lodaya
Practicing Company Secretary
M. No. 60128
C.P. No. 24248
Peer Review No. 2772/2022

Date: 10/08/2023

UDIN: A060128E000769641

Annexure A

To,

Enzotech Solutions Private Limited
No.21, First floor, Srinivasa Nagar,
Kandanchavadi, Chennai 600096.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For and on Behalf of Nuren Lodaya & Associates

Name: Nuren Lodaya
Practicing Company Secretary
M. No. 60128
C.P. No. 24248
Peer Review No. 2772/2022

Date: 10/08/2023

UDIN: A060128E000769641

Annexure IX

Annual Report on Corporate Social Responsibility (CSR) Activities for Financial Year 2022-23

1. A brief outline of the Company's CSR Policy

a) CSR Policy

CSR Vision Statement

As a socially-responsible corporate citizen, the Company will continue to enhance value creation in the society and community, in which it operates. Through its conduct, services, and CSR initiatives, it will strive to promote sustained growth in the surrounding environs.

Objective CSR Vision

The objective of the Policy is to, actively, contribute to the social, environmental and economic development of the society, in which we operate.

Resources

2% of the average net profits of the Company made during the three immediately preceding financial years; surplus arising out of CSR activities.

Company will engage in activities, mentioned in the CSR Policy of the Company, independently or in such manner that it will complement the work being done by local authorities, wherever necessary, in such a manner, that the work executed by the Company, offers a multi-fold benefit to the community.

A brief outline of the Company's CSR policy, including overview of the projects and programs proposed to be undertaken is available at <https://www.bankabio.com>

2. Composition of the CSR Committee

| Name of Director | Designation | Number of meetings of CSR Committee entitled to attend | Number of meetings of CSR Committee attended during the year |
|-----------------------|---|--|--|
| Mrs. Namita Banka | Managing Director, Chairperson of the Committee | 2 | 2 |
| Ms. Aparajita Agrawal | Independent Director, Member of the Committee | 2 | 2 |
| *Mr. Sandip Podar | Independent Director, Member of the Committee | 1 | 1 |
| *Mr. Anil Sharma | Independent Director, Member of the Committee | 1 | 1 |

* Mr. Sandip Poddar was a member of the CSR Committee up to 1 November 2022, and Mr. Anil Sharma, was appointed as a member of the CSR Committee, effective from 2 November 2022.

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

<https://www.bankabio.com/banka-policies/Banka%20BioLoo%20Limited%20-%20CSR%20Policy.pdf>

4. Provide the details of impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

During FY 2022-23, the Company focused on areas of water, sanitation and hygiene (WaSH) in schools. Provision of WaSH in schools increases attendance of students, and reduces drop-outs, more so in the case of girl students.

Six government schools in Vansda block of Navsari district were provided twin bio-toilets (for girls and boys, separately). The schools are:

- a) Shree Gayatry Vidhyalay Khanpur
- b) Tad faliya primary school kureliya
- c) Dungari faliya vargshala kureliya
- d) Aambapani Vargshala
- e) Manpur Vadli Vargshala
- f) Chikatiya Primary School

5. Details of the amount available for set off, in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

| Financial Year | Amount available for set-off from preceding financial year (in Rs.) | Amount required to be set-off for the financial year, if any (in Rs.) |
|----------------|---|---|
| | | NIL |

6. Average net profit of the Company, as per section 135(5): **Rs. 4,25,25,255**

7.

- (a) Two percent of average net profit of the company as per section 135(5): **Rs. 8,50,505**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
- (c) Amount required to be set off for the financial year, if any: **N**
- (d) Total CSR obligation for the financial year (7a+7b+7c): **Rs. 8,50,505**

8.

(a) CSR amount spent or unspent for the financial year:

| Total amount spent for the financial year (in Rs.) | Total amount transferred to unspent CSR account, as per section 135(6) | | Amount transferred to any fund, specified under Schedule VII, as per second proviso to section 135(5) | | |
|--|--|------------------|---|--------|------------------|
| | Amount | Date of transfer | Name of the Fund | Amount | Date of Transfer |
| RS. 8,50,505 | - | - | - | - | - |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--------|---|---|----------------------|-------------------------|------------------|---|---|--|---|--|
| S. No. | Name of the Project | Item from the list of activities in the Schedule VII of the Act | Local Area (Yes/ no) | Location of the Project | Project Duration | Amount allocated for the project (in Rs.) | Amount spent in the current FY (in Rs.) | Amount transferred to the Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation – Direct (yes/ no) | Mode of Implementation – through Implementing Agency |
| 1. | School WaSH, installed bio-toilets | (i) | Yes | Navsari, Gujarat | 2 months | 8,50,505 | 8,50,505 | - | No | Banka Earth Foundation |
| | | | | | | | | | | CSR00015909 |

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--------|---------------------|---|----------------------|-------------------------|------------------|---|---|--|---|--|
| S. No. | Name of the Project | Item from the list of activities in the Schedule VII of the Act | Local Area (Yes/ no) | Location of the Project | Project Duration | Amount allocated for the project (in Rs.) | Amount spent in the current FY (in Rs.) | Amount transferred to the Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation – Direct (yes/ no) | Mode of Implementation – through Implementing Agency |

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 8,50,505
- (g) Excess amount for set off, if any: Nil

| Sr no. | Particular | Amount (in Rs.) |
|--------|---|-----------------|
| 1. | Two percent of average net profit of the Company, as per section 135(5) | 8,50,505 |
| 2. | Total amount spent for the financial year | 8,50,505 |
| 3. | Excess amount spent for the financial year [(ii)-(i)] | - |
| 4. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| 5. | Amount available for set off in succeeding financial years [(iii)-(iv)] | - |

9.

(a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

| Sr. No. | Project ID | Name of the project | Financial year in which project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year (In Rs.) | Status of the project - Completed / Ongoing |
|---------|------------|---------------------|---|------------------|---|---|---|---|
| | | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil

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

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

By the Order of the Board
For Banka BioLoo Limited

Sd/-
Sanjay Banka
Executive Chairman
DIN: 06732600

Sd/-
Namita Banka
Managing Director
DIN: 05017358

Date: 25 August 2023, Hyderabad

Independent Auditors' Report

For the year ended 31 March 2023

To the Members of **BANKA BIOLOO LIMITED**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of BANKA BIOLOO LIMITED ("the Company"), which comprise the balance sheet as at 31 March 2023, the statement of Profit and Loss and the statement of cash flows for the year then ended, the statement of changes in the equity for the year and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Standalone

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

| Key Audit Matter | How the matter was addressed |
|--|--|
| 1. The Company recognizes revenue from sale of goods based on the terms and conditions of purchase orders / contracts from different customers. Revenue is to be recognized if the control of the goods has been transferred to the customers. The management has assessed this aspect i.e., whether the control of the goods has been transferred. | 1. We have obtained an understanding of the revenue recognition process in this behalf, and tested the respective sale / customer orders / contract documents to ensure that the control of the goods has been transferred for recognizing the revenue. |
| 2. The Company recognizes revenue from contracts and services based on the terms of contract entered with the customers by following percentage completion method for partly completed contracts and services. The estimates of work completion for recognizing the revenue / unbilled revenue and identifying the corresponding costs are assessed by the management based on inputs from its site personnel and the distinctive terms of arrangement with customers. | 2. We evaluated the appropriateness of the assumptions applied for assessing the extent of revenue / unbilled revenue and tested the evidence to support the revenue recognition in respect of contracts / services which are partly completed as on the balance sheet date. |

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report but does not include the standalone Ind AS financial statements and the auditor's report thereon.

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

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

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

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

The Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going con-

cern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's abil-

ity 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including the Statement of other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the

Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to these Ind AS standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. In our opinion, the managerial remuneration for the year ended 31 March 2023, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts during the year ending 31 March 2023 for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company .

For PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No. 020615

Place: Hyderabad
Date: 30 May 2023
UDIN: 23020615BGYNOA5537

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BANKA BIOLOO LIMITED 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 **BANKA BIOLOO LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the Stand-alone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations 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 31 March, 2023, 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 PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No. 020615

Place: Hyderabad
Date: 30 May 2023
UDIN: 23020615BGYNOA5537

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BANKA BIOLOO LIMITED of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's fixed assets:

- 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 intangibles assets.
- c. All the property, plant and equipment have not been physically verified by the management during the year but there is regular program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- d. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) excepting a piece of industrial land situated at Ibrahimpatnam, Telangana and amounting to Rs. 49.47 lakhs which was acquired from TSIIC Ltd (a government undertaking) awaiting registration pending project completion, included in property, plant and equipment are held in the name of the Company.
- e. The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.
- f. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency and coverage of verification requires to be improved given the increased scale of operations and the procedures for such verification are to be tailored accordingly. There were no discrepancies of 10% or more in aggregate for each class of inventory.

(b) As disclosed in note 21 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks show different amounts for the respective current assets as against the amounts shown in the books of accounts of the Company. The differences are tabulated as under:

| Quarter ending | Amount of Receivables & Inventories as per statements filed with banks | Amount of Receivables & Inventories as per books of account | Difference (Excess in books)/Short in books* |
|---------------------|--|---|--|
| 30th June 2022 | 1785.70 | 2068.07 | (282.37) |
| 30th September 2022 | 1775.46 | 1822.54 | (47.08) |
| 31st December 2022 | 1479.78 | 2195.40 | (715.62) |
| 31st March 2023 | 1512.57 | 2036.38 | (523.81) |

*The differences arose because the bank facilities are not availed on some of the stocks & receivables.

The Company does not have any working capital limits sanctioned from financial institutions.

iii. (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in, granted unsecured loans and advances in the nature of loans to companies in respect of which the requisite information is as below:

| Particulars | Loans |
|--|--------------|
| Aggregate amount granted/ provided during the year | |
| - Subsidiaries | 223.74 lakhs |
| - Associate Company | Nil |

| Particulars | Loans |
|---|--------------|
| Balance outstanding as at balance sheet date in respect of above case | |
| -Subsidiaries | 251.37 lakhs |
| - Associate Company | 21.84 lakhs |

- b) In respect of the aforesaid investments and loans, the terms and conditions under which such investments were made, and loans were granted are not prejudicial to the Company's interest.
- c) In the case of loans given, there is no stipulation of repayment of principal and payment of interest and hence unable to make specific comment on the regularity of repayment of principal and payment of interest.
- d) In the case of loans given, as there is no stipulation of repayment of principal and payment of interest and hence, we are unable to comment on overdue amount for more than ninety days in respect of loans given.
- e) In the case of loans given, as there is no stipulation of repayment of principal and payment of interest and hence, we are unable to comment if any loan given falling due during the year has been renewed or extended. However, no fresh loans given to settle the overdues of existing loans given to the same party.
- f) In the case of loans given, there is no stipulation of repayment of principal and payment of interest. However, it was mentioned Tenure as "on demand" for the following loans, while reporting related party transactions as on 31 March 2023 to Securities and Exchange board of India.

| Particulars | Related Parties |
|---|-----------------|
| Aggregate amount of loans/ advances in nature of loans | |
| - Agreement does not specify any terms or period of repayment | 251.37 lakhs |
| Percentage of loans/ advances in nature of loans to the total loans | 100% |

- iv. The Company has not granted any loans or provide any guarantees or securities to parties covered under Section 185 of the Act. Further, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the loans and investments made by it, as applicable.
- v. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. (a) The company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, provident fund, employees' state insurance, customs duty, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in repayment of loans or borrowing or in payment of interest thereon to any lender
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company. During the financial year 2017-18, the Company has raised moneys by way of initial public offer of 10,98,000 Equity shares of Rs.10/- each at a price of Rs. 115/- per share (including a premium of Rs. 105/- per share) and proceeds of initial public offer of equity shares have been utilized for the purposes mentioned in the prospectus and amounts utilized as on 31 March 2023 are as follows.

| Particulars | Projected Utilization of Funds as per Prospectus | Actual Utilization of Funds till 31.03.2023 |
|--|--|---|
| Long Term Working Capital Requirement | 797.88 | 797.88 |
| General Corporate Purpose | 231.62 | 231.62 |
| Issue Related Expenses-Company portion | 61.10 | 61.08 |
| Capital expenditure at existing inoculum at Aler | 75.21 | 75.21 |
| Capital expenditure at proposed new unit at Ibrahimpatnam | 96.89 | 96.89 |
| Total | 1,262.70 | 1262.70 |

(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13

of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi Company. Accordingly, reporting on clause 3 (xii) of the Order is not applicable to the Company.

xiii. The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) The Company has to strengthen the existing internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the company is not engaged in the business of financing. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company

(d) There is no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 44 to the standalone financial statements, 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 Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

xxi. The auditors of one of the subsidiary company has made adverse remarks in the Companies (Auditor's Report) Order (CARO) report included in the consolidated financial statements of the Company issued and reported separately. The details thereof are as under:

| Company Name & CIN | Status of the Company | CARO Clause No which is qualified or adverse |
|--|-----------------------|--|
| Enzotech Solutions Private Limited (CIN No. U41000TN2006PTC059620) | 100% Subsidiary | vii(a) & xvii |

For PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No. 020615

Place: Hyderabad
Date: 30 May 2023
UDIN: 23020615BGYNOA5537



Statutory Reports (Standalone Financials)

Banka Bio Limited

Balance Sheet as at 31 March 2023

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| S.No | Particulars | Note No. | As at 31 March, 2023 | As at 31 March, 2022 |
|---------------------------------|-------------|-----------------|----------------------|----------------------|
| I. ASSETS | | | | |
| Non-current assets | | | | |
| Property, Plant and Equipment | 3 | 856.74 | 404.75 | |
| Capital work in progress | 4 | 68.68 | 241.78 | |
| Right-of-use assets | 5 | 146.89 | 202.24 | |
| Intangible assets | 6 | 9.82 | 10.19 | |
| Financial assets | 7 | 535.76 | 435.76 | |
| Investments | 8 | 206.59 | 216.90 | |
| Other financial assets | 9 | - | 7.97 | |
| Deferred tax assets (net) | 10 | 113.57 | 501.64 | |
| Other Non-current assets | 11 | 556.35 | | |
| Inventory | 12 | 2,494.40 | 2,021.23 | |
| Total Non-current assets | | | | |
| Current assets | | | | |
| Inventories | 10 | 543.57 | 561.07 | |
| Financial assets | 11 | 936.28 | 1,737.87 | |
| Trade receivables | 12 | 82.67 | 29.55 | |
| Cash and cash equivalents | 13.1 | 153.65 | 389.53 | |
| Other bank balances | 13.2 | 273.22 | 54.09 | |
| Loans | 14 | 302.64 | 216.20 | |
| Other financial assets | 15 | 54.96 | 161.01 | |
| Income tax assets | 16 | 1,415.76 | 789.42 | |
| Total Current assets | | 3,762.75 | 3,938.74 | |
| Total assets | | 6,257.16 | 5,959.97 | |

II. EQUITY AND LIABILITIES**Equity**

Equity share capital
Other equity

Total equity**Liabilities****Non-current liabilities**

Financial Liabilities
Borrowings
Lease liabilities
Provisions
Deferred tax liabilities (Net)

Total Non-current liabilities**Current liabilities**

Financial Liabilities
Short-term borrowings
Trade payables
Total outstanding dues of micro
and small enterprises
Total outstanding dues of creditors
other than micro and small enterprises
Lease liabilities
Other financial liabilities

Total Current liabilities**Total Equity & Liabilities**

| | | |
|----|-----------------|-----------------|
| 17 | 1,084.66 | 1,084.66 |
| 18 | 2,974.28 | 2,660.84 |
| | 4,058.94 | 3,745.50 |
| 19 | 443.06 | 614.83 |
| 5 | 112.77 | 168.11 |
| | 28.78 | 29.12 |
| 20 | 20.74 | - |
| | 605.34 | 812.06 |
| 21 | 910.08 | 779.47 |
| 22 | 23.28 | 7.70 |
| | 183.45 | 247.80 |
| | 55.34 | 46.33 |
| | 35.02 | 14.99 |
| | 385.71 | 306.13 |
| | 1,592.87 | 1,402.42 |
| 5 | 6,257.16 | 5,959.97 |

As per our report of even date attached

For PRSV & Co.LLP
Chartered Accountants
FRN No: S-200016

Raja Praturi
Partner
Membership No. 020615

For and on behalf of Board of Directors

Sanjay Banka
Executive Chairman
DIN: 06732600

Namita Banka
Managing Director
DIN: 05017358

Vishal Murarka
CEO & Executive Director
DIN: 06729485

T.V. Rama Krishna
CFO & Executive Director
DIN: 07977695

Archana Arigela
Company Secretary
M No. A65613

Place : Hyderabad
Date: 30 May 2023

Banka Bio Limited**Profit and loss statement for the period ended 31 March, 2023 (Stand Alone)**

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| S.No | Particulars | Note No. | Year ended 31.03.2023 | Year ended 31.03.2022 |
|------|--|----------|-----------------------|-----------------------|
| | Revenue | | | |
| I. | Revenue from operations | 25 | 4,825.50 | 4,459.19 |
| | Less: Duties & taxes | | (611.18) | (595.81) |
| | Net revenue from operations | | 4,214.32 | 3,863.38 |
| II | Other income | | 81.24 | 45.37 |
| III | Total revenue (I + II+III) | 26 | 4,295.56 | 3,908.75 |
| | Expenses | | | |
| | Cost of materials consumed. | 27 | 787.29 | 774.66 |
| | Changes in inventories of finished goods & semi-finished goods | | (29.71) | (107.80) |
| | Employee benefits | 28 | 2,245.29 | 1,774.16 |
| | expense Finance cost | 29 | 133.16 | 173.13 |
| | Depreciation and amortisation expenses | 30 | 143.38 | 94.06 |
| | Other expenses | 31 | 601.38 | 874.54 |
| IV | Total expenses | 32 | 3,880.78 | 3,582.75 |
| V | Profit before tax (III- IV) | | 414.78 | 326.00 |
| VI | Tax expense: | | | |
| | (1) Current tax | | 55.41 | 27.88 |
| | (2) Taxes for earlier years | | 24.98 | - |
| | (3) MAT Credit | | - | - |
| | (4) Deferred tax | | 26.75 | (7.8) |
| VII | Profit (loss) for the period (V - VI) | | 307.64 | 305.87 |
| | Other comprehensive income | | | |
| | Items that will not be reclassified to profit and loss | | | |
| | Remeasurement of post-employment benefit obligations | | 7.76 | 4.51 |
| | Income tax effect on items that will not be reclassified to profit | | (1.95) | (1.10) |
| | or loss | | 5.81 | 3.40 |
| | Other comprehensive income for the year | | 313.44 | 309.27 |
| | Total comprehensive income for the year | | | |
| | Earnings per equity share of face value of Rs.10 each | | 2.84 | 2.97 |
| | (1) Basic | | 2.84 | 2.97 |
| | (2) Diluted | | | |
| | See accompanying notes to financial statements. | 1-47 | | |

As per our report of even date attached

For PRSV & Co.LLP
Chartered Accountants
FRN No: S-200016

Raja Praturi
Partner
Membership No. 020615

For and on behalf of Board of Directors

Sanjay Banka
Executive Chairman
DIN: 06732600

Namita Banka
Managing Director
DIN: 05017358

Vishal Murarka
CEO & Executive Director
DIN: 06729485

T.V. Rama Krishna
CFO & Executive Director
DIN: 07977695

Archana Arigela
Company Secretary
M No. A65613

Place : Hyderabad
Date: 30 May 2023

Banka Bio Limited**Standalone statement of Cash flows for the period ending 31.03.2023**

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | Period ended 31.03.2023 | Year ended 31.03.2022 |
|--|----------------------------|--------------------------|
| A. Cash flows from/(used in) operating activities | | |
| Net profit before tax | 414.78 | 326.00 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 143.38 | 94.06 |
| Finance cost | 111.54 | 155.63 |
| Interest on Lease Rentals | 21.62 | 17.50 |
| Loss on sale of asset | - | 0.25 |
| Interest income | (81.24) | (45.37) |
| Operating profit before working capital changes | 610.08 | 548.07 |
| <i>Changes in operating assets and liabilities</i> | | |
| (Increase)/decrease in inventories | 17.50 | (152.04) |
| (Increase)/decrease in trade receivables | 801.59 | (570.06) |
| (Increase)/decrease in other financial assets | (76.13) | 295.40 |
| (Increase)/decrease in other current assets | (626.34) | (179.80) |
| (Increase)/decrease in other non-current assets | (113.57) | 47.71 |
| (Increase)/decrease in other non-current inventory | (54.71) | (107.64) |
| (Increase)/decrease in other current assets-Loans given | (219.13) | (54.09) |
| (Increase)/decrease in other assets | 110.23 | (2.20) |
| Increase/(Decrease) in trade payables | (48.77) | 6.78 |
| Increase/(Decrease) in other financial liabilities | 20.03 | 4.82 |
| Increase/(Decrease) in other current liabilities | 79.58 | 133.37 |
| Increase/(Decrease) provisions | 7.42 | 0.86 |
| Cash (used in)/from operating activities | 507.78 | (28.82) |
| Tax paid | 84.57 | 66.68 |
| Net cash (used in)/ from operating activities | 423.21 | (95.50) |
| B. Cash flow from/(used in) investing activity | | |
| Purchase of fixed assets | (366.54) | (316.04) |
| Sale of Asset | - | 0.70 |
| (Increase)/decrease in investments | (100.00) | (1.0) |
| Interest received | 81.24 | 45.37 |
| Net cash (used in)/from investing activities | (385.31) | (268.97) |
| C. Cash flows from/(used in) financing activities | | |
| Repayment /proceeds of long-term borrowings | (171.77) | 28.02 |
| Increase/(decrease) in short term borrowing | 130.61 | 308.09 |
| Payment of lease liabilities | (67.96) | (44.05) |
| Interest paid | (111.54) | (155.63) |
| Dividend paid | | |
| Net cash (used in)/from financing activities | (220.66) | 136.42 |
| Net increase /(decrease) in cash and cash equivalents | (182.76) | (228.05) |
| Add: Cash and cash equivalents at the beginning of the year | 419.07 | 647.13 |
| Bank deposits with less than 12 months maturity | 153.65 | 389.53 |
| Cash & Cash equivalents at the end of the year | 82.67 | 29.54 |

As per our report of even date attached

For PRSV & Co.LLPChartered Accountants
FRN No: S-200016**Raja Praturi****Partner**

Membership No. 020615

For and on behalf of Board of Directors**Sanjay Banka**Executive Chairman
DIN: 06732600**Namita Banka**Managing Director
DIN: 05017358**Vishal Murarka**CEO & Executive Director
DIN: 06729485**T.V. Rama Krishna**CFO & Executive Director
DIN: 07977695**Archana Arigela**Company Secretary
M No. A65613**Place : Hyderabad****Date: 30 May 2023**

Banka Bio Limited**Statement of Changes in Equity**

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | Equity share capital | Reserves & Surplus | | | Other Comprehensive Income | Total Other Equity |
|---|-----------------------------|-------------------------------|--------------------------|---|-----------------------------------|---------------------------|
| | | Securities premium | Retained Earnings | Remeasurement of defined benefit obligations | | |
| Balance as of 31st March 21 | 1,028.11 | 474.95 | 1,485.73 | 14.17 | | 1,974.86 |
| Profit for the year | | | 305.87 | | | 305.87 |
| Preferential Allotment | 56.55 | | | | | - |
| Securities Premium on Preferential Allotment | | 376.71 | | | | 376.71 |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 3.40 | | 3.40 |
| Dividend paid | | | | | | - |
| Balance as of 31 March 22 | 1,084.66 | 851.66 | 1,791.60 | 17.58 | | 2,660.84 |
| Profit for the period | | | 307.64 | | | 307.64 |
| Utilized during the period | | | | | | - |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 5.81 | | 5.81 |
| Dividend paid | | | | | | - |
| Balance as of 31 March 23 | 1,084.66 | 851.66 | 2,099.24 | 23.38 | | 2,974.28 |

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

As per our report of even date attached

For PRSV & Co.LLP

Chartered Accountants

FRN No: S-200016

Raja Praturi

Partner

Membership No. 020615

For and on behalf of Board of Directors**Sanjay Banka**Executive Chairman
DIN: 06732600**Namita Banka**Managing Director
DIN: 05017358**Vishal Murarka**CEO & Executive Director
DIN: 06729485**T.V. Rama Krishna**CFO & Executive Director
DIN: 07977695**Archana Arigela**Company Secretary
M No. A65613

Banka Bio Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

1. Corporate information

BANKA BIOLOO LIMITED was initially incorporated as a Private Limited Company under Companies Act, 1956 on 31 August 2012. The Company was converted into a Public Limited Company on 15 November 2017. The Company is listed on the National Stock Exchange (NSE) (Emerge: SME Platform) on 27 February 2018. The Company is engaged in the business of manufacturing, supplying and installation of Bio toilets, setting up Fecal Sludge Treatment Plants (FSTPs), waste water treatment plants, Effluent treatment plants and their operation and maintenance.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

2.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis and on accrual basis, except for the following items

- i) Borrowings: Amortised cost using effective interest rate method
- ii) employee defined benefit assets/(liability): Present value of defined benefit obligations less fair value of plan assets

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Up to the year ended 31st Mar, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 ('Previous GAAP').

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, 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. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.3 Measurement of fair values

Accounting policies and disclosures require measurement of fair value for financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date. All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost, net off recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price and any cost directly attributable to bringing the assets to its working conditions for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 entity and the cost can be measured reliably.

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.

Gains and losses upon disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognised in the statement of profit and loss.

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in schedule II to the companies Act, 2013.

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

2.6 Intangible assets

Intangible assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, and any cost directly attributable to brining the asset to its working condition for the intended use.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Gains and Losses arising from de-recognition of an intangible assets are recorded

in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

2.7 Financial Instruments

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

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase and sale of financial assets are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

The Company has accounted for its investment in subsidiary at cost.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For trade receivables, Company applies 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach require the Company to recognise impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable transaction costs. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

A financial asset (or a part of the financial asset) is derecognized from the Company's balance sheet when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of the financial liability) is derecognized from the Company's balance sheet when the obligation under the liability is discharged or cancelled or expires.

2.8 Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and on hand, demand deposits and other short term deposits that are readily convertible into known amounts of cash, are subject to insignificant risk of changes in value and have a maturity of three months or less.

2.9 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realizable value after providing for obsolescence. Inventories also include costs in relation to supply, erection & installation of FST plants for governments which are billed over the O & M contract period extending to 9.50 years.

These costs are classified as work in progress and non-current inventory. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.10 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment if any.

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 to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss to the extent, the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.11 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is disclosed when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.12 Revenue recognition

i. Revenue from contracts

Revenue from contracts priced on a time and material basis are recognised as the related services are rendered and the related costs are incurred. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed price contracts is recognised as per the 'percentage of completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration.

ii. Revenue from services

Service income is recognised as per the terms of contracts with the customer, when the related services are performed and where the service is rendered but not invoiced on account of customer end compliances, the same is recognised as unbilled revenue.

iii. Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control or management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

iv. Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

2.13 Employee Benefits Expense

i. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii. Post-Employment Benefits Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company's contributions to defined contribution plans are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of gratuity benefit is determined using the Projected Unit Credit Method based on actuarial valuation, performed by an independent qualified actuary.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

2.14 Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of such assets.

All other borrowing costs are charged to the statement of profit and loss for which they are incurred.

2.15 Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of transaction.

2.16 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the temporary differences in the period in which the liability is settled or the asset realised, based on tax laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.17 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares except where the result would be anti dilutive.

2.18 Leases

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

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

1) Right-to-use assets

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

The right of use assets are also subject to impairment.

ii) Lease Liabilities

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

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

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

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

3. Property, plant and equipment

| Description | Land | Leasehold Improvements | Buildings | Plant & Machinery | Electrical Equipment | Lab Equipment | Computers & Printers | Office Equipment | Furniture & Fixtures | Vehicles | Plant-Urban SaaS | Total |
|---|--------------|------------------------|---------------|-------------------|----------------------|---------------|----------------------|------------------|----------------------|--------------|------------------|-----------------|
| Cost as at 31 March 2021 | 15.25 | 37.16 | 146.82 | 216.21 | 2.78 | 28.02 | 28.28 | 23.03 | 26.43 | 49.79 | - | 573.77 |
| Additions | 49.82 | - | - | 0.60 | - | 2.07 | 9.56 | 3.88 | 8.33 | - | - | 74.26 |
| Disposals | - | - | - | - | - | - | - | - | - | -1.10 | - | -1.10 |
| Cost as at 31 March 2022 | 65.08 | 37.16 | 146.82 | 216.81 | 2.78 | 30.09 | 37.84 | 26.91 | 34.76 | 48.69 | - | 646.93 |
| Additions | - | 43.15 | - | 106.11 | - | 5.77 | 3.59 | 0.20 | 1.00 | - | 378.72 | 538.54 |
| Disposals | 0.35 | - | - | 44.05 | 1.26 | - | 22.10 | 7.65 | 1.86 | 0.41 | - | 77.68 |
| Cost as at 31 March 2023 | 65.43 | 80.31 | 146.82 | 366.97 | 4.04 | 35.86 | 63.52 | 34.76 | 37.62 | 49.10 | 378.72 | 1,107.80 |
| Accumulated depreciation as at 31 March 2021 | - | 8.77 | 17.25 | 94.88 | 1.68 | 7.95 | 19.27 | 11.26 | 8.92 | 17.27 | - | 187.27 |
| Depreciation for the year | - | 3.53 | 8.79 | 16.91 | 0.33 | 5.24 | 4.69 | 4.34 | 5.64 | 5.59 | - | 55.07 |
| Disposals / adjustments | - | - | - | - | - | - | - | - | - | -0.15 | - | -0.15 |
| Accumulated depreciation as at 31 March 2022 | - | 12.30 | 26.05 | 111.80 | 2.01 | 13.19 | 23.96 | 15.60 | 14.56 | 22.70 | - | 242.18 |
| Depreciation for the year | - | 4.54 | 7.72 | 15.71 | 0.22 | 5.75 | 8.71 | 3.87 | 6.31 | 5.51 | 27.85 | 86.20 |
| Disposals/ adjustments | - | - | - | 44.05 | 1.26 | - | 22.10 | 7.65 | 1.86 | 0.41 | - | 77.32 |
| Accumulated depreciation as at 31 March 2023 | - | 16.84 | 33.77 | 171.55 | 3.49 | 18.95 | 54.78 | 27.11 | 22.74 | 28.62 | 27.85 | 251.05 |
| Net carrying value as at 31 March 2023 | 65.43 | 63.47 | 113.05 | 195.42 | 0.54 | 16.91 | 8.75 | 7.65 | 14.88 | 20.48 | 350.87 | 856.74 |
| Net carrying value as at 31 March 2022 | 65.08 | 24.86 | 120.77 | 105.01 | 0.77 | 16.90 | 13.87 | 11.31 | 20.20 | 25.99 | - | 404.75 |

- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company
- Land situated at Ibrahimpatnam and allotted by TSIIC Ltd., during FY 21-22 yet to be registered in the name of the company pending completion of the project. The posession is with the company in terms of sale agreement executed with TSIIC Ltd.

4. Capital work-in-progress

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|---------------------|---------------------|
| Capital work-in-progress | 68.68 | 241.78 |
| Total | 68.68 | 241.78 |

Capital work-in-progress (CWIP) Ageing schedule

| Particulars | Amount in CWIP for a period of | | | | |
|---------------------------------|--------------------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | TOTAL |
| Projects in progress | 68.68 | - | - | - | 68.68 |
| Projects temporarily suspended | - | - | - | - | - |
| Balance as at March 2023 | 68.68 | - | - | - | 68.68 |
| Projects in progress | 241.78 | - | - | - | 241.78 |
| Projects temporarily suspended | - | - | - | - | - |
| Balance as at March 2022 | 241.78 | - | - | - | 241.78 |

The Capital work in progress relates to construction of manufacturing block at Ibrahimpatnam.

5 Right of use assets and Lease Liabilities

The Company has lease contracts for office and factory premises with no restrictions and are renewable at the option of the parties mutually agreed from time to time. Leases of building generally have lease terms between 4 and 5 years. The escalation rate is 5% per annum as per the terms of the lease agreement. The Company also has certain lease spaces including guest houses with lease term of 12 months or less and with low value. The Company applies the 'short-term lease' and lease of 'low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the year

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|------------------------|----------------------------|----------------------------|
| Opening balance | 202.24 | 109.65 |
| Additions | - | 129.31 |
| Amortization | 55.36 | 36.71 |
| Closing balance | 146.89 | 202.24 |

Carrying amounts of lease liabilities and the movements during the year

| | | |
|------------------------|---------------|---------------|
| Opening balance | 214.44 | 111.69 |
| Additions | 0.00 | 129.31 |
| Accretion of interest | 21.62 | 17.50 |
| Payments | 67.96 | 44.05 |
| Closing balance | 168.11 | 214.44 |
| Current | 55.34 | 46.33 |
| Non-current | 112.77 | 168.11 |

The following are the amounts recognised in statement of profit and loss

| | | |
|------------------------------------|--------------|--------------|
| Amortization of right to use asset | 55.36 | 36.71 |
| Interest on lease obligations | 21.62 | 17.50 |
| Total | 76.98 | 54.21 |

The effective interest rate for lease liabilities is 11.06%, with maturity between 2021 and 2025.

Contractual maturities of lease liabilities on undiscounted basis as on

| | | |
|----------------------|---------------|---------------|
| Less than one year | 55.34 | 46.33 |
| One to five years | 112.77 | 168.11 |
| More than five years | | |
| | 168.11 | 214.44 |

6. Intangible Assets

| Description | Bio Digester Technology | Software | Total |
|---|-------------------------|--------------|--------------|
| Cost as on 31 March 2021 | 10.8 | 13.25 | 24.05 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Cost as on 31 March 2022 | 10.8 | 13.25 | 24.05 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Cost as at on March 2023 | 10.8 | 13.25 | 24.05 |
| Accumulated depreciation as on 31 March 2021 | 8.32 | 0.97 | 9.29 |
| Depreciation for the year | 1.02 | 1.26 | 2.28 |
| Disposals/adjustments | - | - | - |
| Accumulated depreciation as on 31 March 2022 | 9.34 | 2.23 | 11.57 |
| Depreciation for the year | 1.02 | 1.26 | 2.28 |
| Disposals/adjustments | - | - | - |
| Accumulated depreciation as on 31 March 2023 | 10.36 | 3.49 | 13.85 |
| Accumulated depreciation as on 31 March 2023 | -0.00 | 9.82 | 9.82 |
| Accumulated depreciation as on 31 March 2022 | 0.43 | 9.76 | 10.19 |

7. Investments

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| | | |
| Investments carried at cost | | |
| Unquoted equity shares (fully paid up) | | |
| Investments in equity instruments of subsidiaries | | |
| Megaliter Varunaa Pvt Ltd | 100.0 | - |
| Enzotech Solutions Pvt Ltd | 433.26 | 433.26 |
| Investments in equity instruments of associates | | |
| Sai Banka SPV Pvt Ltd | 0.50 | 0.50 |
| Sustainable Sanitation Industry Association | 2.00 | 2.00 |
| | 535.76 | 435.76 |

8. Other financial assets (Non-Current)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| Unsecured, considered good | | |
| Security deposits with customers | 79.96 | 39.46 |
| Other security deposits | 27.77 | 27.94 |
| Bank deposits with more than 12 months maturity* | 98.89 | 150.04 |
| | 206.59 | 216.90 |

10 (i). Inventories-Non Currenet (valued at lower of cost and net realizable value)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------------------|---------------------|---------------------|
| WIP-Cutomer FST Projects* | 556.35 | 501.64 |
| | 556.35 | 501.64 |

*Represents the cost incurred for execution of Customer Feacle Slude Treatment Plants for Governments and billed as per contract on long term basis (9.50 years)

9. Other Non current assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|------------------------|------------------------|
| Unsecured, considered good | | |
| Capital advances | 113.57 | - |
| | 113.57 | - |

10 (ii). Inventories-Currenet (valued at lower of cost and net realizable value)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------------|------------------------|------------------------|
| Raw materials | 435.25 | 436.71 |
| Stores and spares | 23.49 | 14.52 |
| Semi-finished goods | 7.16 | 10.20 |
| Finished goods | 77.68 | 99.63 |
| Total | 543.57 | 561.07 |

11. Trade Receivable

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Unsecured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 113.24 | 475.03 |
| Others | 823.04 | 1,262.84 |
| Total | 936.28 | 1,737.87 |

Trade Receivables ageing schedule (Unsecured)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|--|--|---------------|------------------|--------------|--------------|-------------|----------------|
| | Not due | < 6 months | 6 months -1 year | 1-2 Years | 2-3 years | > 3 years | Total |
| (i) Undisputed Trade Receivables — considered good | 602.54 | 220.50 | 51.57 | 48.31 | 13.36 | 0.00 | 936.28 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (iii) Undisputed Trade Receivables — credit impaired | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (iv) Disputed Trade Receivables — considered good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (vi) Disputed Trade Receivables — credit impaired | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance as at 31 March 2023 | 602.54 | 220.50 | 51.57 | 48.31 | 13.36 | 0.00 | 936.28 |
| (i) Undisputed Trade Receivables — considered good | 626.80 | 636.04 | 412.29 | 52.90 | 9.84 | 0.00 | 1737.87 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (iii) Undisputed Trade Receivables — credit impaired | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (iv) Disputed Trade Receivables — considered good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (vi) Disputed Trade Receivables — credit impaired | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance as at 31 March 2022 | 626.80 | 636.04 | 412.29 | 52.90 | 9.84 | 0.00 | 1737.87 |

Excludes unbilled revenue of Rs.1263.19 lacs (previous year 728.71 lac) shown under other current assets

12. Cash and cash equivalents

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------------------|------------------------|------------------------|
| Cash on hand | 0.11 | 6.12 |
| Balances with banks | | |
| In Current accounts | 82.56 | 23.43 |
| Cash and cash equivalents | 82.67 | 29.55 |

14. Other financial assets (current)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| Security deposits with customers * | 287.43 | 193.57 |
| Other Deposits | 0.21 | - |
| Interest accrued but not due on fixed deposits | 15.01 | 22.63 |
| | 302.64 | 216.20 |

Includes Rs.187.31 lac (PY Rs.Nil) being the deposits made in banks in the names of customers

13. 1 Other bank balances

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|------------------------|------------------------|
| Bank deposits with < 12 months maturity | 50.00 | 51.00 |
| Margin money deposits | 103.65 | 338.53 |
| | 153.65 | 389.53 |

15. Income tax assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|------------------------|------------------------|
| Advance income tax (Net of provision for tax) | 54.96 | 161.01 |
| | 54.96 | 161.01 |

13.2 Loans

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|------------------------|------------------------|
| Loans to related parties | | |
| Subsidiaries | 251.38 | 26.52 |
| Associates | 21.84 | 27.57 |
| | 273.22 | 54.09 |

16. Other current assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|------------------------|------------------------|
| Unsecured, considered good | | |
| Advances to vendors | 119.34 | 22.54 |
| Advances to employees | 16.79 | 13.52 |
| Unbilled revenue | 1,263.19 | 728.71 |
| Others | 16.45 | 24.65 |
| | 1,415.76 | 789.42 |

17. Share capital

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|---|----------------------------|---------------|----------------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| (a) Authorised | | | | |
| Equity shares of Rs.10/- each per share | 1,50,00,000 | 1,500.00 | 1,50,00,000 | 1,500.00 |
| (a) Issued | | | | |
| Equity shares of Rs.10/- each per share | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |
| (a) Subscribed and fully paid up | | | | |
| Equity shares of Rs.10/- each per share | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|--|----------------------------|---------------|----------------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| Balance as at the beginning of the year | 1,08,46,582 | 1,084.66 | 1,02,81,120 | 1,028.11 |
| Bonus shares issued during the year | | | | |
| Shares issued through preferential issue | - | - | 5,65,462 | 56.55 |
| Balance as at the end of the year | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |

b. Rights, preferences, restrictions attached to equity shares

The company has only one class of shares having a face value of Rs. 10/- per share. All equity shareholders rank pari-passu in respect of dividend and voting rights. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|----------------------------|---------------------|----------------|---------------------|----------------|
| | Number of shares | %age of shares | Number of shares | %age of shares |
| a. Namita Banka | 34,98,999 | 32.26 | 35,22,694 | 32.48 |
| b. Sanjay Banka | 12,16,000 | 11.21 | 12,16,000 | 11.21 |
| c. Vishal Murarka | 11,63,640 | 10.73 | 11,63,640 | 10.73 |
| d. Prabodh Agarwal | 6,32,951 | 5.84 | 8,09,466 | 7.46 |
| e. Akhilesh Kumar Tripathi | 5,18,045 | 4.78 | 5,70,196 | 5.26 |

d. Details of shareholding by Promoters of the Company

| Particulars | As on 31 March 2023 | | |
|--------------------------------|---------------------|----------------|--------------------------|
| | Number of shares | %age of shares | % Change during the year |
| a. Namita Banka | 34,98,999 | 32.26 | 0.22 |
| b. Sanjay Banka | 12,16,000 | 11.21 | - |
| c. Vishal Murarka | 11,63,640 | 10.73 | - |
| d. Sanjay Kumar Banka (HUF) | 16,562 | 0.15 | 0.10 |
| e. Vineet Satyanarayan Murarka | 88,893 | 0.82 | 0.03 |

18. Other Equity

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | Equity share capital | Reserves & Surplus | | Other Comprehensive Income | Total Other Equity |
|---|-----------------------------|-------------------------------|--------------------------|-----------------------------------|---------------------------|
| | | Securities premium | Retained Earnings | | |
| Balance as at 31st March 21 | 1,028.11 | 474.95 | 1,485.73 | 14.17 | 1,974.86 |
| Profit for the year | | | 305.87 | | 305.87 |
| Preferential Allotment | 56.55 | | | | - |
| Securities Premium on Preferential Allotment | | 376.71 | | | 376.71 |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 3.40 | 3.40 |
| Dividend paid | | | | | - |
| Balance as at 31 March 22 | 1,084.66 | 851.66 | 1,791.60 | 17.58 | 2,660.84 |
| Profit for the period | | | 307.64 | | 307.64 |
| Utilised during the period | | | | | - |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 5.81 | 5.81 |
| Dividend paid | | | | | - |
| Balance as at 31 March 23 | 1,084.66 | 851.66 | 2,099.24 | 23.38 | 2,974.28 |

19. Borrowings

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|------------------------|---------------------------|---------------------------|
| Secured | | |
| ECB loan | 308.15 | 512.75 |
| Vehicle loans | - | 3.70 |
| Term loans from banks | 82.00 | - |
| Unsecured | | |
| Term loans from banks | 51.51 | 90.21 |
| Term loans from NBFC's | 1.40 | 8.18 |
| From Directors | | |
| | 443.06 | 614.83 |

c. Cash Credit facility of Rs.300 lac from Bank is for one year and repayable on demand and carrying interest rate of 9.65% pa. The loan is secured by hypothecation of Stock & Book debts (1st paripassu charge), exclusive charge on Industrial Land of the company located Aler and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Akhilesh Tripathi Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

d. Cash Credit facility of Rs.400 lac is for one year and repayable on demand and carrying interest rate of 9.00% pa. The facility is secured by hypothecation of Stock & Book debts (1st paripassu charge), exclusive charge on office building of the company located at Lakdi-ka-pool, exclusive charge on the residential property of Mrs. Namita Banka, located at Lakdi-ka- pool and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Vishal Murarka, CEO and Executive Director, Mr. Akhilesh Tripathi Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

Repayment terms and security details

1) Secured Loans

a. Tranche I of ECB loan is repayable in 5 years and carrying interest rate of 10.40% pa . Tranche II of ECB loan is repayable in 4 years and carrying interest rate of 9.50% pa. ECB loan is secured by (1) Hypothecation (Exclusive first charge) of Plant & Equipment at each of the 4 manufacturing plants owned or leased by the Company, (2) All receivables of Andhra Pradesh FSM Package and the Telangana FSM Package and (3) Personal Guarantees from Mrs. Namita Sanjay Banka, Managing director & Mr. Sanjay Banka, Chairman and whole time direcor.

b. Term Loan from bank is repayable in 48 monthly installments ending on 10 August 2027 and carrying interest rate @ 3 M T Bill+Interest Margin (i.e.9.50% pa). The loan is secured by hypothecation of Industrial Land and building/shed of the company located Plot No.16 & 17, Survey No.67 to 107, MSME Ibrahimpatnam, movable properties (funded out of the term loan) and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Vishal Murarka, CEO & Executive Director, Mr. Akhilesh Tripathi, Executive Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

From Banks

Vehicle/Equipment loans from Bank is carrying an interest rate of 9.50% pa

2) Unsecured Loans

From Banks

a. Unsecured loan from Banks carrying interest rate 16.50% pa.

b. Unsecured loans from Banks under Emergency Credit Guarantee Scheme carrying interest rate ranging from 8.25% pa to 9.25% pa.

From NBFC's

Unsecured loan from NBFCs under Emergency Credit Guarantee Scheme carrying interest rate 14% pa.

3) The company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

4) The company is not declared as a willful defaulter.

20. Long Term Provisions

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| <i>Provision for employee benefits</i> | | |
| Provision for Gratuity | | |
| Total | 28.78 | 29.12 |

21. Short Term Borrowings

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Secured | | |
| Bank OD | 644.01 | 435.35 |
| Current maturities of long term liabilities | | |
| Secured | | |
| Term loans from Banks | 14.00 | 48.27 |
| ECB Loan | 204.61 | 121.57 |
| Vehicle loans* | 3.70 | 9.66 |
| Unsecured | | |
| Term loans from banks | 39.64 | 126.09 |
| Term loans from NBFC's | 4.12 | 38.54 |
| | 910.08 | 779.47 |

Repayment terms and security details

The security, tenor and terms of the facility are provided under Note No.19

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

22. Trade payables

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Total outstanding dues of MSME creditors | 23.28 | 7.70 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 183.45 | 247.80 |
| Total | 206.72 | 255.49 |

Trade payables Aging Schedule

| Particulars | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
|---------------------------------|------------------|-------------|-------------|-------------------|---------------|
| (i) MSME | 23.28 | | | | 23.28 |
| (ii) Others | 183.45 | | | | 183.45 |
| (iii) Disputed dues — MSME | 0.00 | | | | 0.00 |
| (iv) Disputed dues - Others | 0.00 | | | | 0.00 |
| Balance as at March 2023 | 206.72 | - | - | - | 206.72 |
| (i) MSME | 7.70 | | | | 7.70 |
| (ii) Others | 247.80 | | | | 247.80 |
| (iii) Disputed dues — MSME | 0.00 | | | | 0.00 |
| (iv) Disputed dues - Others | 0.00 | | | | 0.00 |
| Balance as at March 2022 | 255.49 | - | - | - | 255.49 |

23. Other Financial Liabilities

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------|---------------------|---------------------|
| Other financial liabilities | 34.99 | 14.96 |
| Unclaimed Dividend | 0.03 | 0.03 |
| Total | 35.02 | 14.99 |

25. Revenue from Operations

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------|---------------------|---------------------|
| Sale of products | 305.46 | 1,518.87 |
| Income from services | 4,520.04 | 2,940.33 |
| Total | 4,825.50 | 4,459.19 |

Revenue for the year includes unbilled revenue of Rs.1263.19 lac (previous year Rs.728.71 lac)

24. Other Current Liabilities

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|---------------------|---------------------|
| Advances from customers | 103.42 | 19.61 |
| Statutory liabilities | 64.13 | 92.58 |
| Salaries & bonus Payable | 209.89 | 190.28 |
| Expenses Payable | 8.27 | 3.66 |
| Total | 385.71 | 306.13 |

26. Other Income

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|---------------------|---------------------|
| Interest income on fixed deposits | 42.21 | 36.37 |
| Interest on Loans given | 29.66 | 2.74 |
| Discount received | 9.36 | 6.25 |
| Gain from Sale of Investments | - | 0.00 |
| Total | 81.24 | 45.37 |

27. Cost of Materials Consumed (Including Packing Material, Stock in Trade and Consumables)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------|------------------------|------------------------|
| Opening stock | 451.24 | 299.35 |
| Add: Purchases | 794.79 | 926.54 |
| Closing stock | 458.73 | 451.24 |
| | 787.29 | 774.66 |

28. Changes in inventories of finished goods, semi finished goods and stock-in-trade

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------|------------------------|------------------------|
| Opening stock of FG and SFG | 611.47 | 503.67 |
| Closing stock of FG and SFG | 641.19 | 611.47 |
| | (29.71) | (107.80) |

29. Employee benefits expense

| Particulars | As on 31 March 2023 | As on 31 March 20212 |
|----------------------------|------------------------|-------------------------|
| Salaries, wages and bonus* | 1,989.59 | 1,582.84 |
| Contributions to EPF & ESI | 204.99 | 158.42 |
| Contribution to gratuity | 22.42 | 21.64 |
| Staff welfare expenses | 28.28 | 11.26 |
| Total | 2,245.29 | 1,774.16 |

* Includes Directors remuneration of Rs.189.85 lac (PY Rs.180.66 lacs)

30. Finance Cost

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-------------------------------|------------------------|------------------------|
| Interest on term loans | 83.49 | 112.76 |
| Interest on bank OD | 23.20 | 33.19 |
| Interest on Lease Liabilities | 21.62 | 17.50 |
| Other borrowing cost | 4.85 | 9.67 |
| | 133.16 | 173.13 |

31. Depreciation and amortisation expenses

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|------------------------|------------------------|
| Depreciation on property, plant and equipment | 86.20 | 55.07 |
| Amortization of intangible assets | 1.82 | 2.28 |
| Amortization of right to use asset | 55.36 | 36.71 |
| | 143.38 | 94.06 |

32. Other Expenses

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|---------------------|---------------------|
| Contractor and labour expenses | 81.75 | 261.75 |
| Site expenses | 39.89 | 43.56 |
| Project expense | 176.10 | 196.47 |
| Freight outward | 56.59 | 69.38 |
| Rent | 10.08 | 37.10 |
| Power & fuel | 7.21 | 9.85 |
| Insurance | 21.03 | 15.18 |
| Rates & taxes | 7.33 | 16.65 |
| Repairs & maintenance | 7.31 | 14.05 |
| Consultancy charges | 30.89 | 59.42 |
| Printing & stationery | 9.30 | 10.93 |
| Office maintenance | 5.73 | 16.68 |
| Travelling & conveyance | 62.81 | 60.66 |
| Communication expenses | 2.73 | 4.24 |
| Business promotion | 15.94 | 2.98 |
| Selling expenses | 30.37 | 20.45 |
| Inspection & testing charges | 4.97 | 14.21 |
| Audit fees | - | - |
| Statutory audit | 2.95 | 2.25 |
| Tax audit | 0.83 | 0.75 |
| Other services | 0.60 | 0.60 |
| Corporate social responsibility expenditure | 8.51 | 10.26 |
| Bank charges | 15.71 | 5.26 |
| Impairment of assets | - | - |
| Miscellaneous expenses | 2.77 | 1.61 |
| Loss on sale of assets | - | 0.25 |
| | 601.38 | 874.54 |

33. Details of Corporate social responsibility expenditure

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|-------------------------------|--|
| i) Amount required to be spent by the company during the year | 8.51 | 10.26 |
| ii) Amount required to be set off for the financial year, if any | | |
| iii) Total CSR obligation for the financial year | 8.51 | 10.26 |
| iv) Amount of expenditure incurred | | |
| (a) Construction/acquisition of any asset | | |
| (b) On purposes other than (a) above | 8.51 | 10.26 |
| | 8.51 | 10.26 |
| v) Shortfall at the end of the year ((iii)-(iv)) | - | - |
| vi) Total of previous years shortfall | - | - |
| vii) Reason for shortfall | NA | NA |
| viii) Nature of CSR activities | Providing toilets, & donation | Providing toilets, donation of food-waste treatment equipment, training to women |
| ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard | 8.51 | 10.26 |
| x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | - | - |

34. Employee Benefits

a. Defined contribution plan

Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed Rs. 1,66,13,439/- (Previous year Rs.1,29,65,865/-) towards provident fund plan during the year ended 31 March 2023.

b. Defined Benefit Plan

The Company provides for gratuity, a defined benefit plan ("Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum gratuity payment to eligible employees of the company on superannuation, death and permanent disablement . The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company.

The following table sets out funded status of the Gratuity Plan, and the amounts recognised in the Company's financial statements as on 31 March 2023.

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|---------------------|---------------------|
| i. Changes in the present value of obligation | | |
| Defined benefit obligation as at beginning of the year | 81.84 | 65.48 |
| Current service cost | 20.89 | 19.41 |
| Interest cost | 5.82 | 4.45 |
| Actuarial (gain)/loss | (8.06) | (7.51) |
| Benefits paid | (0.81) | 0.00 |
| Defined benefit obligation as at the end of the year | 99.68 | 81.84 |
| ii. Changes in fair value of plan assets | | |
| Fair value of plan assets as at the beginning of the year | 52.72 | 32.72 |
| Acquisition Adjustment | (0.22) | 0.00 |
| Investment income | 4.29 | 2.22 |
| Employer's contribution | 15.22 | 20.78 |
| Employer's contribution | - | 0.00 |
| Expenses | (0.30) | (3.00) |
| Benefits Paid | (0.81) | 0.00 |
| Fair value of plan assets as at the end of the year | 70.90 | 52.72 |
| iii. Fair value of assets and obligations | | |
| Fair value of plan assets | 70.90 | 52.72 |
| Present value of obligation | 99.68 | 81.84 |
| Amount recognized in balance sheet | (28.78) | (29.12) |

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| iv. Expenses recognised during the year | | |
| In Income Statement | | |
| Current service cost | 20.89 | 19.41 |
| Interest cost/(income) | 1.54 | 2.23 |
| Expenses recognised in the income statement | 22.42 | 21.64 |
| In Other Comprehensive Income (OCI) | | |
| Actuarial (gain)/loss | | |
| Opening balance difference | | - |
| Others | 0.30 | 3.00 |
| (Gain)/loss actual v expected | (8.06) | (7.51) |
| Net (income)/expense recognised in OCI | (7.76) | (4.51) |

v. Actuarial assumptions

| | | |
|--------------------------------|-------|-------|
| Discount rate (per annum) | 7.38% | 7.15% |
| Salary growth rate (per annum) | 2.00% | 2.00% |

vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|-----------------------------|---------------------|----------|---------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Change in discounting rate | 108.94 | 91.72 | 89.62 | 75.16 |
| increase | 83.90 | 119.43 | 68.64 | 98.43 |
| Change in rate of attrition | 85.39 | 111.86 | 74.21 | 88.56 |
| Change in rate of mortality | 96.71 | 102.37 | 81.70 | 81.97 |

35. Related Parties

| a. List of the transacted Related Parties and description of relationship | |
|--|---|
| Nature of Relationship | Name of the related party |
| Wholly-owned subsidiary | Enzotech Solutions Private Limited Megaliter Varunaa Private Limited |
| Associate Company | Sai Banka SPV Pvt Ltd Sustainable Sanitation Industry Association |
| Key managerial personnel (KMP) | |
| Sanjay Banka | Executive Chairman |
| Namita Banka | Managing Director |
| Vishal Murarka | Executive Director & CEO |
| Akhilesh Kumar Tripathi | Executive Director |
| T. V. Rama Krishna | Executive Director & CFO |
| Anil Sharma | Independent Director [wef 01.10.2022] |
| Sandip Poddar | Independent Director [up to 30.09.2022] |
| Sanjay Kumar Gangwar | Independent Director [wef 1.10.2019] |
| Kamalesh Sekhar | Independent Director [wef 1.10.2019] |
| Aparajita Agarwal | Independent Director [wef 17.09.2020] |
| D Basava Raju | Independent Director [wef 7.09.2020] |
| Sri Bala Aditya | Company Secretary [up to 31.10.2022] |
| Archana Arigela | Company Secretary [wef 01.11.2022] |
| Relative of KMP | Vineet Satyanarayan Murarka |
| Enterprises controlled by key management personnel | Vinraa Technology LLP |
| | Sanjay Kumar Banka HUF |
| | Banka Earth Foundation |

b. Transactions with Related parties

| Nature of Relationship | Name of the related party | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------|---|----------------------------|----------------------------|
| Managerial Remuneration | Sanjay Banka | 48.37 | 48.37 |
| | Namita Banka | 37.02 | 34.04 |
| | Vishal Murarka | 45.20 | 43.11 |
| | T. V. Rama Krishna | 29.16 | 27.07 |
| | Akhilesh Kumar Tripathi | 30.10 | 28.07 |
| Salary | Archana Arigela-Company Secretary | 3.25 | - |
| Salary | Sri Bala Aditya-Company Secretary | 1.75 | 3.00 |
| Purchases | Vinraa Technology LLP | - | 5.27 |
| Advance repaid | Vinraa Technology LLP | - | 7.07 |
| Investment | Megaliter Varunaa Pvt Ltd | 100.00 | - |
| Sales | Megaliter Varunaa Pvt Ltd | 16.94 | - |
| Unbilled Sales | Megaliter Varunaa Pvt Ltd | 342.10 | |
| Advance Received | Megaliter Varunaa Pvt Ltd | 80.09 | - |
| Loan given | Megaliter Varunaa Pvt Ltd | 13.22 | |
| Loand refunded | Megaliter Varunaa Pvt Ltd | 13.22 | - |
| Interest Received | Megaliter Varunaa Pvt Ltd | 0.38 | |
| Loand refunded | Sai Banka SPV Pvt Ltd | 5.73 | - |
| Sale | Sai Banka SPV Pvt Ltd | - | 1.50 |
| Loan given | Sai Banka SPV Pvt Ltd | - | 27.19 |
| Interest Received | Sai Banka SPV Pvt Ltd | 2.05 | 1.18 |
| Investment | Sustainable Sanitation Industry Association | - | - |
| Investment | Enzotech Solutions Pvt Ltd | - | 433.26 |
| Sale | Enzotech Solutions Pvt Ltd | 187.10 | 76.16 |
| Loan given | Enzotech Solutions Pvt Ltd | 210.52 | 15.12 |
| Purchases | Enzotech Solutions Pvt Ltd | 34.81 | - |
| Interest Received | Enzotech Solutions Pvt Ltd | 15.94 | 1.56 |
| Sale | Banka Earth Foundation | 35.15 | 20.90 |

c. Balances as at 31 March 2022

| Nature of Relationship | Name of the related party | As at 31 March 2023 | As at 31 March 2022 |
|--|---|----------------------------|----------------------------|
| Managerial remuneration | Sanjay Banka | 1.76 | 2.86 |
| | Akhilesh Kumar Tripathi | 1.84 | 0.83 |
| | T.V. Rama Krishna | 1.71 | 0.32 |
| | Vishal Murarka | 2.84 | 2.02 |
| | Namita Banka | 2.07 | - |
| | Archana Arigela | 0.63 | |
| Trade receivable | Sri Bala Aditya | - | 0.25 |
| | Enzotech Solutions Pvt Ltd | 95.60 | 76.16 |
| Loan receivable (Incl Interest) | Enzotech Solutions Pvt Ltd | 251.38 | 26.52 |
| Loan receivable | Sai Banka SPV Pvt Ltd | 20.00 | 26.51 |
| Interest Receivable | Sai Banka SPV Pvt Ltd | 1.84 | 1.06 |
| Investment | Enzotech Solutions Pvt Ltd | 433.26 | 433.26 |
| | Sustainable Sanitation Industry Association | 2.00 | 2.00 |
| | Megaliter Varunaa Pvt Ltd | 100.00 | - |
| | Sai Banka SPV Pvt Ltd | 0.50 | 0.50 |

36. Earnings per Share

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|----------------------------|----------------------------|
| Profit after tax attributable to equity shareholders | 307.64 | 305.87 |
| Weighted average number of equity shares for Basic EPS | 108 | 103 |
| Weighted average number of equity shares for Diluted EPS | 108 | 103 |
| Basic earnings per Share | 2.84 | 2.97 |
| Diluted earnings per Share | 2.84 | 2.97 |

37 Income Taxes (Income tax expense/ (benefit) recognised in the statement of profit and loss)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------------------------|---------------------|---------------------|
| Current tax expense | 55.41 | 27.88 |
| Tax for earlier years | 24.98 | - |
| Deferred tax expense | 26.75 | (7.75) |
| Total income tax expense | 107.14 | 20.13 |

Reconciliation of effective tax rate

| Particulars | As on 31 March 2022 | As on 31 March 2021 |
|--|---------------------|---------------------|
| Profit before Income Tax | 414.78 | 326.00 |
| Tax Rate | 25.17% | 25.17% |
| Tax expense | 104.39 | 82.05 |
| Effect of: | | |
| Unrecognised deferred tax assets | - | - |
| Interest U/s 234B & 234C | | |
| Expenses deductible for Tax purposes (Depreciation effect) | 14.27 | 2.77 |
| Disallowing in PY allowed in CY (Sec 43B) | (11.65) | (5.19) |
| Deduction U/s 80JJA | (24.85) | (51.53) |
| Others | 24.98 | (7.97) |
| Income tax expense | 107.14 | 20.13 |

Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-------------------------------------|---------------------|---------------------|
| Property, plant and equipment | 78.53 | 9.71 |
| Current liabilities & provisions | (57.79) | (17.68) |
| Net deferred tax Liabilities | 20.74 | (7.97) |

Movement in deferred tax assets and liabilities during the years ended 31 Mar 2022 and 31 Mar 2023

| Particulars | Year ended 31 March 2022 | Charge/(credit) to profit or loss | Year ended 31 March 2023 |
|---|-----------------------------|--------------------------------------|-----------------------------|
| Deferred tax (assets)/liabilities: | | | |
| Property, plant and equipment | 9.71 | 68.82 | 78.53 |
| Current liabilities & provisions | (17.68) | (40.11) | (57.79) |
| Net Deferred tax Liabilities | (7.97) | 28.71 | 20.74 |

Movement in deferred tax assets and liabilities during the years ended 31 Mar 2021 and 31 Mar 2022

| Particulars | Year ended 31 March 2021 | Charge/(credit) to profit or loss | Year ended 31 March 2022 |
|---|-----------------------------|--------------------------------------|-----------------------------|
| Deferred tax (assets)/liabilities: | | | |
| Property, plant and equipment | 9.98 | (0.27) | 9.71 |
| Current liabilities & provisions | (11.30) | (6.38) | (17.68) |
| Net Deferred tax Liabilities | (1.32) | (6.65) | (7.97) |

38 Contingent Liabilities and Commitments

a. Contingent Liabilities

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------|--------------------------|--------------------------|
| Bank guarantee outstanding | 434.50 | 95.99 |

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2023 is Rs.193.75 lac (31 March 2022: Rs.162.83)

39 Capital Management

The company manages its capital to ensure that it will be able to continue as going concern while creating value for share holders by facilitating the meeting of long term and short term goals of the Company.

The company determines the amount of capital required on the basis of annual business plan coupled long term and short term strategic investment and expansion plans.

The company monitors the capital by using net debt equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.business plan coupled long term and short term strategic investment and expansion plan.

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|------------------------------------|-----------------------------|-----------------------------|
| Non current borrowings | 443.06 | 614.83 |
| Current borrowings | 910.08 | 779.47 |
| Total debts | 1,353.13 | 1,394.30 |
| Less: Cash and cash equivalents | 82.67 | 29.55 |
| Other bank balances | 50.00 | 51.00 |
| Adjusted net debts | 1,220.47 | 1,313.75 |
| Equity | 1,084.66 | 1,084.66 |
| Other equity | 2,974.28 | 2,660.84 |
| Total equity | 4,058.94 | 3,745.50 |
| Adjusted net debt to equity | 0.30 | 0.35 |

40 Segment Reporting

As per the assessment undertaken by CODM, the allocation of resources and assessment of the financial performance is undertaken at the company level. The Company has only one reportable business segment, which is manufacturing, supplying and installation of Bio toilets and related AMOC services. Accordingly, the amounts appearing in the financial statements.

Geographical information

The company has whole revenues from customers domiciled in India.

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------|---------------------|---------------------|
| Within India | 4,214.32 | 3,863.38 |
| Outside India | - | - |
| Total | 4,214.32 | 3,863.38 |

41. Details of dues to micro and small enterprises as defined under MSMED

Act 2006

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year | | |
| - Principal amount due to micro and small enterprises | 23.28 | 7.70 |
| - Interest due on above | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued, and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable, even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act | - | - |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information requested by the management and responded by its vendors to the company.

42 Financial Risk Management

In course of its business, the company is exposed to certain financial risk such as market risk, credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors and the Audit Committee reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

a. Credit risk

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has a prudent and conservative process for managing its credit risk raising in the course of its business activities. Credit risk is managed through continuously monitoring the creditworthiness of customers and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

b. Liquidity risk

Liquidity Risk refers to 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, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The company has obtained fund and non fund based working capital loans from bank. The borrowed funds are generally applied for company's own operational activities. The table below provides details regarding the contractual maturities of significant financial liabilities.

| Particulars | Up to 1 year | 2 to 3 years | 3 to 5 years |
|------------------------|-----------------|---------------|--------------|
| 31-Mar-23 | | | |
| Non-current borrowings | - | 395.44 | 47.62 |
| Current borrowings | 910.08 | - | - |
| Trade payables | 206.72 | - | - |
| Other payables | 420.73 | | |
| Lease Liabilities | 55.34 | 112.77 | |
| | 1,592.87 | 508.21 | 47.62 |
| 31-Mar-22 | | | |
| Non-current borrowings | 252.58 | 348.63 | 13.62 |
| Current borrowings | 779.47 | - | - |
| Trade payables | 255.49 | - | - |
| Other payables | 321.12 | | |
| Lease Liabilities | 46.33 | 168.11 | |
| | 1,655.00 | 516.74 | 13.62 |

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices such as commodity prices, foreign currency exchange rates and other market changes.

d. Exchange rate risk

The company has no foreign operations and hence not exposed to exchange rate risk.

e. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers /buyers credit. The Interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the company is as follows:

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------------------|---------------------|---------------------|
| Floating rate instruments | | |
| Financial liabilities | | |
| Term loans from banks | 96.00 | 48.27 |
| Working capital facilities from bank | 644.01 | 435.35 |
| Total | 740.01 | 483.61 |

Cash flow sensitivity analysis for variable -rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowing summarized above. This calculation assumes that the change occurs at the balance sheet date and has been calculated on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

| Cash flow sensitivity (net) | Profit or Loss | |
|--|----------------|----------------|
| | 25 bp increase | 25 bp decrease |
| 31-Mar-23: Variable rate loan instruments | 1.85 | (1.85) |
| 31-Mar-22: Variable rate loan instruments | 1.21 | (1.21) |

43 Financial Instruments valuation

All financial instruments are initially measured at cost and subsequently measured at fair value.

The carrying value and fair value of financial instruments by categories as of 31 March 23 are as follows

| Particulars | Carrying Value | Level of input used in | | | Fair Value |
|------------------------------|----------------|------------------------|---------|---------|------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| At Amortised Cost | | | | | |
| Investments* | - | - | - | - | - |
| Trade receivables | 936.28 | - | - | - | 936.28 |
| Cash and cash equivalents | 82.67 | - | - | - | 82.67 |
| Other bank balances | 153.65 | - | - | - | 153.65 |
| Other financial assets | 509.23 | - | - | - | 509.23 |
| Financial liabilities | | | | | |
| At Amortised Cost | | | | | |
| Borrowings | 443.06 | - | - | - | 443.06 |
| Short-term borrowings | 910.08 | - | - | - | 910.08 |
| Trade payables | 183.45 | - | - | - | 183.45 |
| Lease Liabilities | 168.11 | - | - | - | 168.11 |
| Other financial liabilities | 35.02 | - | - | - | 35.02 |

The carrying value and fair value of financial instruments by categories as of 31 March 22 are as follows

| Particulars | Carrying Value | Level of input used in | | | Fair Value |
|-------------------------------|----------------|------------------------|---------|---------|---------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| At Amortised Cost | | | | | |
| Investments* | - | - | - | - | - |
| Trade receivables | 1,737.87 | - | - | - | 1,737.87 |
| Cash and cash equivalents | 29.55 | - | - | - | 29.55 |
| Other bank balances | 389.53 | - | - | - | 389.53 |
| Other financial assets | 433.10 | - | - | - | 433.10 |
| Financial liabilities | | | | | |
| At Amortised Cost | | | | | |
| Borrowings | 614.83 | - | - | - | 614.83 |
| Short-term borrowings | 779.47 | - | - | - | 779.47 |
| Trade payables | 255.49 | - | - | - | 255.49 |
| Lease Liabilities | 214.44 | - | - | - | 214.44 |
| Other financial liabilities | 14.99 | - | - | - | 14.99 |

* excludes Financial assets measured at cost

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable Inputs for the asset or liability.

44 Ratios

| Ratio | Numerator | Denominator | 31-Mar-23 | 31-Mar-22 | % Variance | Reason for variance |
|--|--|---|-----------|-----------|------------|--|
| Current Ratio | Current Assets | Current Liabilities | 2.36 | 2.81 | -15.89% | |
| Debt - Equity Ratio | Total Debt | Shareholder's Equity | 0.37 | 0.43 | -12.74% | |
| Debt Service Coverage Ratio | Earnings available for debt service= Net profit after taxes + Non-cash operating expenses + Finance cost | Debt service= Interest & Lease Payments + Principal Repayments | 1.53 | 1.28 | 19.55% | |
| Return on Equity (ROE) | Net Profits after taxes | Average Shareholder's Equity | 7.88% | 9.06% | -13.03% | |
| Inventory Turnover Ratio | Cost of goods sold | Average Inventory | 0.70 | 0.71 | -1.99% | |
| Trade receivables turnover ratio | Revenue from operations | Average Trade Receivable | 2.07 | 2.15 | -4.00% | |
| Trade payables turnover ratio | Net credit purchases | Average Trade Payables | 3.62 | 3.68 | -1.46% | |
| Net capital turnover ratio | Revenue from operations | Working capital=current assets-current liabilities. | 1.94 | 1.52 | 27.51% | Improved collection & effective working capital management |
| Net profit ratio | Net Profit | Revenue from operations | 7.30% | 7.92% | -7.80% | |
| Return on capital employed (ROCE) | Earnings before interest and taxes | Capital employed= Tangible net worth+ Total debt+ Deferred tax (assets)/liabilities | 9.78% | 9.34% | 4.79% | |
| Return on investment | Income generated from investments | Time weighted average investments | NA* | NA* | NA* | |

* Not Applicable since the company does not carry investments per se

45 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
- (x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year

46 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Company has assessed the impact thereof and estimates no further provisions are required in this behalf.

47 Previous year figures have been regrouped/reclassified wherever necessary to conform to the current year's classification.

As per our report of even date attached

For PRSV & Co. LLP
Chartered Accountants
Firm Regn No. S200016

**FOR AND BEHALF OF THE BOARD OF
DIRECTORS**

Raja Praturi
Partner
Membership No. 020615

Sanjay Banka
Executive Chairman
DIN: 06732600

Namita Banka
Managing Director
DIN: 05017358

Vishal Murarka
CEO & Executive Director
DIN: 06729485

T.V. Rama Krishna
CFO & Executive Director
DIN: 07977695

Archana Arigela
Company Secretary
M No. A65613

Place: Hyderabad
Date: 30.05.2023

Independent Auditors' Report

For the year ended 31 March 2023

To the Members of **BANKA BIOLOO LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of BANKA BIOLOO LIMITED (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "The Group"), its associate, which comprise consolidated balance sheet as at 31 March 2023, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group, its associate as at 31 March 2023, and their consolidated profit including other comprehensive income, their consolidated statement of changes in equity and their consolidated cashflows 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 Companies Act, 2013. 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, its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we

have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement and based on the consideration of reports of other auditors on consolidated financial statements of components audited by them 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.

| Key Audit Matter | How the matter was addressed |
|---|---|
| 1. The Company recognizes revenue from sale of goods based on the terms and conditions of purchase orders / contracts from different customers. Revenue is to be recognized if the control of the goods has been transferred to the customers. The management has assessed this aspect i.e., whether the control of the goods has been transferred. | 1. We have obtained an understanding of the revenue recognition process in this behalf, and tested the respective sale / customer orders / contract documents to ensure that the control of the goods has been transferred for recognizing the revenue. |

| Key Audit Matter | How the matter was addressed |
|---|---|
| <p>2. The Company recognizes revenue from contracts and services based on the terms of contract entered with the customers by following percentage completion method for partly completed contracts and services. The estimates of work completion for recognizing the revenue / unbilled revenue and identifying the corresponding costs are assessed by the management based on inputs from its site personnel and the distinctive terms of arrangement with customers.</p> | <p>2. We evaluated the appropriateness of the assumptions applied for assessing the extent of revenue / unbilled revenue and tested the evidence to support the revenue recognition in respect of contracts / services which are partly completed as on the balance sheet date.</p> |

Information Other than the 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 Ind AS financial statements and the auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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.

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

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

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the

preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows and consolidated statement of changes in equity of the group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintaining 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements under Ind AS that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of companies included in the group and of its associate are responsible for assessing the ability of each company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management/Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements 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 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 group and its associate 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 statements of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision

and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other matters

We did not audit the financial statements/financial information of wholly owned subsidiary viz., Enzotech Solutions Pvt. Ltd., included in the consolidated financial results, whose financial statements/financial information reflects total assets of Rs.1106.91 lakhs and total revenues of Rs. 549.61 lakhs for year ended March 31, 2023, respectively, total net loss of Rs.33.41 lakhs and total comprehensive income of Rs.33.41 lakhs for the year ended March 31, 2023. This financial statements/financial information have been audited/reviewed by other auditors whose reports have been furnished to us by the management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of the said wholly owned subsidiary is solely on the reports of the other auditors and the procedures performed by us as stated under auditor's responsibilities stated above.

The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs 0.64 lakhs for the year ended 31 March 2023, in respect of 1 associate, whose financial statements have not been audited either by us or by other auditors.; the financial statements / information relating to another associate namely Sustainable Sanitation Industry Association have not been included in the consolidated financial statements on the ground that there were no operations in the year which has an Equity value (reflected under Investments) as on 31-3-2022 of Rs. 1.72 lakhs and brought forward without adjustment which could not be verified by us. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements made available. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/ consolidated financial statements of such subsidiary and associates as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) (Ind AS) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

g) In our opinion, the managerial remuneration for the year ended 31 March 2023 has been paid / provided by the Holding Company and the subsidiaries to their directors in accordance with the provisions of section 197 read with Schedule V to 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 and based on the consideration of the reports of the other auditors on separate/consolidated financial statements of the subsidiaries and associates as noted in the "Other Matters" paragraph:

i. The group including its associates do not have any pending litigations which would impact the consolidated financial position of the group.

ii. The group including its associates did not have any long-term contracts including derivative contracts during the year ended 31 March 2023 for which there were any material foreseeable losses

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended 31 March 2023.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its

subsidiary companies and associate companies in India to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies and associate companies in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies and associate companies in India from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and associate companies in India shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Holding Company or its subsidiary companies and associate companies in India.

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF BANKA BIOLOO LIMITED FOR THE YEAR ENDED 31 MARCH 2023

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

The auditors of the companies whose financial statements are included in the consolidated financial statements being reported upon, have made adverse remarks in the Companies (Auditor's Report) Order (CARO) report. The details thereof are as under:

| Company Name & CIN | Status of the Company | CARO Clause No which is qualified or adverse |
|---|-----------------------|--|
| Banka Bioloo Limited (CIN No. L90001TG2012PLC082811) | Holding Company | i(d), ii(a) & (b), iii, xiv(a) |
| Enzotech Solutions Private Limited (CIN No. U41000T-N2006PTC059620) | 100% Subsidiary | vii(a) & xvii |

For PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No.020615

UDIN: 23020615BGYN0B2213

Place: Hyderabad
Date: 30 May 2023

For PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No.020615

UDIN: 23020615BGYN0B2213

Place: Hyderabad
Date: 30 May 2023

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF BANKA BIOLOO LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BANKA BIOLOO LIMITED 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of BANKA BIOLOO LIMITED (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associate companies as of that date.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective 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.

Auditor's Responsibility

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.



For PRSV & Co. LLP
Chartered Accountants
Firm's Registration No. S200016

Raja Praturi
Partner
Membership No.020615
UDIN: 23020615BGYN0B2213

Place: Hyderabad
Date: 30 May 2023

Statutory Reports (Consolidated Financials)

Banka Bio Limited Balance Sheet as at 31 March 2023

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| S.No | Particulars | Note No. | As at 31 March, 2023 | As at 31 March, 2022 |
|---------------------------------|-------------|-----------------|----------------------|----------------------|
| I. ASSETS | | | | |
| Non-current assets | | | | |
| Property, Plant and Equipment | 3 | 879.95 | 432.67 | |
| Capital work in progress | 4 | 343.25 | 241.78 | |
| Right-of-use assets | 5 | 146.89 | 202.24 | |
| Intangible assets | 6 | 9.82 | 10.19 | |
| Goodwill | | 31.51 | 31.51 | |
| Financial assets | | | | |
| Investments | 7 | 5.6 | | |
| Other financial assets | 8 | 5 | 5.01 | |
| Differed tax assets (net) | 9 | 285.45 | 217.53 | |
| Other Non-current assets | 10(i) | 113.57 | 6.94 | |
| Inventory | | 556.35 | | 501.64 |
| Total Non-current assets | | 2,372.45 | 1,649.52 | |
| Current assets | | | | |
| Inventories | 10(ii) | 872.10 | 838.93 | |
| Financial assets | | | | |
| Trade receivables | 11 | | | |
| Cash and cash equivalents | 12 | 1,169.98 | 2,035.93 | |
| other bank balances | 13.1 | 84.07 | 31.92 | |
| Loans | 13.2 | 174.53 | 396.11 | |
| Other financial assets | 14 | 21.84 | 27.57 | |
| Income tax assets | 15 | 438.88 | 259.13 | |
| Other current assets | 16 | 54.96 | 190.67 | |
| Total Current assets | | 1,331.93 | 975.66 | |
| Total assets | | 6,520.74 | 6,405.43 | |

Statutory Reports (Consolidated Financials)

Banka Bio Limited Balance Sheet as at 31 March 2023

| II. EQUITY AND LIABILITIES | | 17 | 18 | |
|--|--|-----------------|-----------------|--|
| Equity | | | | |
| Equity share capital | | 1,084.66 | 1,084.66 | |
| Other equity | | 2,925.24 | 2,665.53 | |
| Equity attributable to shareholders of the company | | 4,009.89 | 3,750.19 | |
| Non-controlling interests | | | | |
| Total equity | | 4,009.89 | 3,750.19 | |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | | 493.90 | 742.91 | |
| Lease liabilities | | 112.77 | 168.11 | |
| Provisions | | 28.78 | 29.12 | |
| Deferred tax liabilities (Net) | | 21.66 | - | |
| Total Non-current liabilities | | 657.11 | 940.14 | |
| Current liabilities | | | | |
| Financial Liabilities | | | | |
| Short-term borrowings | | 1,009.48 | 892.25 | |
| Trade payables | | | | |
| Total outstanding dues of micro and small enterprises | | 81.82 | 70.64 | |
| Total outstanding dues of creditors other than micro and small enterprises | | 232.77 | 295.29 | |
| Lease liabilities | | 55.34 | 46.33 | |
| Other financial liabilities | | 165.40 | 18.65 | |
| Other current liabilities | | 308.93 | 391.94 | |
| Total Current liabilities | | 1,853.74 | 1,715.11 | |
| Total Equity & Liabilities | | 6,520.74 | 6,405.43 | |

As per our report of even date attached

For PRSV & Co.LLP
Chartered Accountants
FRN No: S-200016

Raja Praturi
Partnership No. 020615

For and on behalf of Board of Directors

Sanjay Banka
Executive Chairman
DIN: 06732600

Namita Banka
Managing Director
DIN: 05017358

Vishal Murarka
CEO & Executive Director
DIN: 06729485

T.V. Rama Krishna
CFO & Executive Director
DIN: 07977695

Archana Arigela
Company Secretary
M No. A65613

Place : Hyderabad
Date: 30 May 2023

Banka Bio Limited

Profit and loss statement for the period ended 31 March, 2023 (Consolidated)

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| S.No | Particulars | Note No. | Year ended 31.03.2023 | Year ended 31.03.2022 |
|------|--|----------|--------------------------------------|--------------------------|
| I. | Revenue | | | |
| I. | Revenue from operations Less: Duties & taxes | 25 | 4,874.46 (639.48) | 4,473.00 (597.92) |
| | Net revenue from operations | 26 | 4,234.98 | 3,875.08 |
| II | Other income | | 70.11 | 45.37 |
| III | Total revenue (I + II+III) | | 4,305.09 | 3,920.45 |
| | Expenses | | | |
| | Cost of materials consumed | 27 | | |
| | Changes in inventories of finished goods & semi-finished goods | 28 | 593.21 | 778.67 |
| | Employee benefits expense | 29 | (39.35) | (106.54) |
| | Finance cost | 30 | | |
| | Depreciation and amortization expenses | 31 | 2,370.09 | 1,776.42 |
| | Other expenses | 32 | 154.81 | 173.78 |
| | | | 148.25 | 94.15 |
| | | | 716.31 | 875.79 |
| IV | Total expenses | | 3,943.32 | 3,592.27 |
| V | Profit before tax (III- IV) | | 361.77 | 328 |
| VI | Share of profit/(loss) of associate | | 0.64 | 2.71 |
| VII | Profit before tax (V+VI) | | 362.41 | 330.89 |
| VIII | Tax expense: (1) Current tax (2) Taxes for earlier years (3) MAT Credit (4) Deferred tax | | 56.88 24.98 - 26.65 - (7.8) | 27.88 - - (7.8) |
| VII | Profit (loss) for the period (V - VI) | | 253.89 | 310.76 |
| | Other comprehensive income | | | |
| | Items that will not be reclassified to profit and loss | | | |
| | Remeasurement of post-employment benefit obligations | | 7.76 | 4.51 |
| | Income tax effect on items that will not be reclassified to profit or loss | | (1.95) | (1.10) |
| | Other comprehensive income for the year | | 5.81 | 3.40 |
| | Total comprehensive income for the year | | 259.70 | 314.17 |
| | Earnings per equity share of face value of Rs.10 each | | 2.34 | 3.02 |
| | (1) Basic | | 2.34 | 3.02 |
| | (2) Diluted | | | |

See accompanying notes to financial statements.

1-47

As per our report of even date attached

For and on behalf of Board of Directors**Sanjay Banka**
Executive Chairman
DIN: 06732600**Namita Banka**
Managing Director
DIN: 05017358**Vishal Murarka**
CEO & Executive Director
DIN: 06729485**T.V. Rama Krishna**
CFO & Executive Director
DIN: 07977695**Archana Arigela**
Company Secretary
M No. A65613Place : Hyderabad
Date: 30 May 2023

Consolidated statement of Cash flows for the period ending 31.03.2023

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|--|--------------------------|--------------------------|
| A. Cash flows from/(used in) operating activices | | |
| Net profit before tax | 362.41 | 330.89 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 148.25 | 94.15 |
| Finance cost | 133.19 | 156.29 |
| Interest on Lease Rentals | 21.62 | 17.50 |
| Loss on sale of asset | - | 0.25 |
| Interest income | (70.11) | (45.37) |
| Operatiing profit before working capital changes | 595.36 | 553.70 |
| <i>Changes in operating assets and liabilities</i> | | |
| (Increase)/decrease in inventories | (33.18) | (152.04) |
| (Increase)/decrease in trade receivables | 865.95 | (570.06) |
| (Increase)/decrease in other financial assets | (247.66) | 295.40 |
| (Increase)/decrease in other current assets | (356.27) | (233.89) |
| (Increase)/decrease in other non-current assets | (113.57) | 75.29 |
| (Increase)/decrease in other non-current inventory | (54.71) | (107.64) |
| (Increase)/decrease in other current assets-Loans given | 5.73 | (27.57) |
| (Increase)/decrease in other assets | 138.42 | (2.20) |
| Increase/(Decrease) in trade payables | (51.34) | 6.78 |
| Increase/(Decrease) in other financial liabilities | 146.74 | 49.41 |
| Increase/(Decrease) in other current liabilities | (83.01) | 134.69 |
| Increase/(Decrease) provisions | 7.42 | 0.86 |
| Cash (used in)/from operating activities | 819.88 | 22.72 |
| Tax paid | 84.57 | 66.68 |
| Net cash (used in)/ from operating activities | 735.31 | (43.96) |
| B.Cash flow from/(used in) investing activity | | |
| Purchase of fixed assets | (641.28) | (316.04) |
| Sale of Asset | - | 0.70 |
| (Increase)/decrease in investments | (0.64) | (1.68) |
| Interest received | 70.11 | 45.37 |
| Net cash (used in)/from investing activities | (571.81) | (271.65) |
| C. Cash flows from/(used in) financing activities | | |
| Repayment /proceeds of long term borrowings | (249.01) | 28.02 |
| Increase/(decrease) in short term borrowing | 117.23 | 267.16 |
| Payment of lease liabilities | (67.96) | (44.05) |
| Interest paid | (133.19) | (155.63) |
| Dividend paid | | |
| Net cash (used in)/from financing activities | (332.92) | 95.50 |
| Net increase /(decrease) in cash and cash equivalents | (169.43) | (220.12) |
| Add: Cash and cash equivalents at the beginning of the year | 428.03 | 648.14 |
| Bank deposits with less than 12 months maturity | 174.53 | 396.11 |
| Cash & Cash equivalents at the end of the year | 84.07 | 31.92 |

For PRSV & Co.LLP
Chartered Accountants
FRN No: S-200016

Raja Praturi
Partner
Membership No. 020615

Place : Hyderabad
Date: 30 May 2023

For and on behalf of Board of Directors

Sanjay Banka **Namita Banka** **Vishal Murarka**
Executive Chairman Managing Director CEO & Executive Director
DIN: 06732600 DIN: 05017358 DIN: 06729485

T.V. Rama Krishna **Archana Arigela**
CFO & Executive Director Company Secretary
DIN: 07977695 M No. A65613

Banka Bio Limited
Consolidated of Changes in Equity

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | Equity share capital | Reserves & Surplus | | Other Comprehensive Income | Total Other Equity |
|---|-----------------------------|-------------------------------|--------------------------|-----------------------------------|---------------------------|
| | | Securities premium | Retained earnings | | |
| Balance as at 31 March 2021 | 1,028.11 | 474.95 | 1,485.57 | 14.17 | 1,974.69 |
| Profit for the year | | | 310.76 | | 310.76 |
| Preferential allotment of equity shares | 56.55 | | | | - |
| Securities premium received on preferential allotment of equity shares | | 376.71 | | | 376.71 |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 3.40 | 3.40 |
| Balance as at 31 March 22 | 1,084.66 | 851.66 | 1,796.33 | 17.58 | 2,665.57 |
| Profit for the year | | | 253.89 | | 253.89 |
| Preferential allotment of equity shares | | | | | - |
| Securities premium received on preferential allotment of equity shares | | | | | - |
| Actuarial gain/(loss) on post-employment benefit obligations (Net of tax) | | | | 5.81 | 5.81 |
| Balance as at 31 March 23 | 1,084.66 | 851.66 | 2,050.23 | 23.38 | 2,925.27 |

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

As per our report of even date attached

For PRSV & Co.LLP

Chartered Accountants
FRN No: S-200016

Raja Praturi

Partner
Membership No. 020615

Place : Hyderabad Date: 30 May 2023

For and on behalf of Board of Directors

Sanjay Banka

Executive Chairman
DIN: 06732600

Namita Banka

Managing Director
DIN: 05017358

Vishal Murarka

CEO & Executive Director
DIN: 06729485

T.V. Rama Krishna

CFO & Executive Director
DIN: 07977695

Archana Arigela

Company Secretary
M No. A65613

Banka Bio Limited

Notes to the Consolidated financial statements for the year ended 31 March 2023

1. Corporate information

BANKA BIOLOO LIMITED was initially incorporated as a Private Limited Company under Companies Act, 1956 on 31 August 2012. The Company was converted into a Public Limited Company on 15 November 2017. The Company is listed on the National Stock Exchange (NSE) (Emerge: SME Platform) on 27 February 2018. The Company is engaged in the business of manufacturing, supplying and installation of Bio toilets, setting up Fecal Sludge Treatment Plants (FSTPs), waste water treatment plants, Effluent treatment plants and their operation and maintenance.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

2.1 Basis of Preparation and Presentation

The consolidated financial statements have been prepared on the historical cost basis and on accrual basis, except for the following items

- i) Borrowings: Amortised cost using effective interest rate method
- ii) employee defined benefit assets/(liability): Present value of defined benefit obligations less fair value of plan assets.

The consolidated financial statements have been prepared and presented in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Up to the year ended 31st Mar, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 ('Previous GAAP').

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

2.2 Principles of Consolidation

The consolidated financial statements relate to Banka BioLoo Ltd and its subsidiary company Enzotech Solutions Private Limited, Megaliter Varunaa Pvt Ltd., and its associates Sai Banka SPV Pvt Ltd and Sustainable Sanitation Industry Association (Incorporated as section 8 Company under the Companies Act, 2013) . The consolidated financial statements have been prepared on the following basis:

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases

The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment are eliminated in full.

Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

Associates

Investments in associates are accounted for using the equity method and are initially recognized at cost.

For the purpose of preparing these consolidated financial statements, the accounting policies of associates have been changed where necessary to align them with the policies adopted by the Company.

2.3 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires man-

agement to make judgments, 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. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.4 Measurement of fair values

Accounting policies and disclosures require measurement of fair value for financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.5 Current and non-current classification:

'The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be settled in the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date. All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost, net off recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price and any cost directly attributable to bringing the assets to its working conditions for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 entity and the cost can be measured reliably.

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.

Gains and losses upon disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment and are recognised in the statement of profit and loss.

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in schedule II to the companies Act, 2013.

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

2.7 Intangible assets

Intangible assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Gains and Losses arising from de-recognition of an intangible assets are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

2.8 Financial Instruments

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

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase and sale of financial assets are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

The Company has accounted for its investment in subsidiary at cost.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For trade receivables, Company applies 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach require the Company to recognise impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable transaction costs. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date,

the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

A financial asset (or a part of the financial asset) is derecognized from the Company's balance sheet when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of the financial liability) is derecognized from the Company's balance sheet when the obligation under the liability is discharged or cancelled or expires.

2.9 Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and on hand, demand deposits and other short term deposits that are readily convertible into known amounts of cash, are subject to insignificant risk of changes in value and have a maturity of three months or less.

2.10 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realisable value after providing for obsolescence. Inventories also include costs in relation to supply, erection & installation of FST plants for governments which are billed over the O & M contract period extending to 9.50 years.

These costs are classified as work in progress and non-current inventory. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.11 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment if any.

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 to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss to the extent, the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is disclosed when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.13 Revenue recognition

i. Revenue from contracts

Revenue from contracts priced on a time and material basis are recognised as the related services are rendered and the related costs are incurred. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed price contracts is recognised as per the 'percentage of completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration.

ii. Revenue from services

Service income is recognised as per the terms of contracts with the customer, when the related services are performed and where the service is rendered but not invoiced on account of customer end compliances, the same is recognised as unbilled revenue.

iii. Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control or management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

iv. Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

2.14 Employee Benefits Expense*i. Short Term Employee Benefits*

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii. Post-Employment Benefits Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company's contributions to defined contribution plans are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of gratuity benefit is determined using the Projected Unit Credit Method based on actuarial valuation, performed by an independent qualified actuary.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

2.15 Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of such assets.

All other borrowing costs are charged to the statement of profit and loss for which they are incurred.

2.16 Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of transaction.

2.17 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the temporary differences in the period in which the liability is settled or the asset realised, based on tax laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.18 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares except where the result would be anti-dilutive.

2.19 Leases

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

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

i) Right-to-use assets

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

The right of use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (Including in substance fixed payments) less any lease incentives receivables, variable lease payments that depend on an index

or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease. If the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

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

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

3. Property, plant and equipment

| Description | Land | Leasehold Improvements | Buildings | Plant & Machinery | Electrical Equipment | Lab Equipment | Computers & Printers | Office Equipment | Furniture & Fixtures | Vehicles | Moulds | Plant-Urban SaaS | Total |
|---|--------------|------------------------|---------------|-------------------|----------------------|---------------|----------------------|------------------|----------------------|--------------|--------------|------------------|-----------------|
| Cost as at 31 March 2021 | 15.25 | 37.16 | 146.82 | 245.80 | 2.78 | 28.02 | 40.31 | 23.03 | 33.67 | 61.18 | 74.69 | - | 708.72 |
| Additions | 49.82 | - | - | 0.60 | - | 2.07 | 9.56 | 3.88 | 8.33 | - | - | - | 74.26 |
| Disposals | - | - | - | - | - | - | - | - | - | -1.10 | - | - | -1.10 |
| Cost as at 31 March 2022 | 65.08 | 37.16 | 146.82 | 246.40 | 2.78 | 30.09 | 49.87 | 26.91 | 42.01 | 60.08 | 74.69 | - | 781.88 |
| Additions | - | 0.60 | - | 106.11 | - | 5.77 | 3.59 | 0.20 | 1.00 | - | - | 378.72 | 538.54 |
| Disposals | 0.35 | 43.15 | - | 44.05 | 1.26 | - | 22.10 | 7.65 | 1.86 | 0.41 | - | - | 77.68 |
| Cost as at 31 March 2023 | 65.43 | 80.31 | 146.82 | 396.56 | 4.04 | 35.86 | 75.62 | 34.76 | 44.97 | 60.49 | 74.69 | 378.72 | 1,242.91 |
| Accumulated depreciation as at 31 March 2021 | - | 8.77 | 17.25 | 124.13 | 1.68 | 7.95 | 31.14 | 11.26 | 16.08 | 21.13 | 48.75 | - | 288.15 |
| Depreciation for the year | - | 3.53 | 8.79 | 16.98 | 0.33 | 5.24 | 4.79 | 4.34 | 5.67 | 7.94 | 3.61 | - | 55.07 |
| Disposals / adjustments | - | - | - | - | - | - | - | - | - | -0.15 | - | - | -0.15 |
| Accumulated depreciation as at 31 March 2022 | - | 12.30 | 26.05 | 141.11 | 2.01 | 13.19 | 35.94 | 15.60 | 21.74 | 28.92 | 52.36 | - | 349.21 |
| Depreciation for the year | - | 4.54 | 7.72 | 15.76 | 0.22 | 5.75 | 8.78 | 3.87 | 6.35 | 7.12 | 3.11 | 27.85 | 91.07 |
| Disposals/ adjustments | - | - | - | 44.05 | 1.26 | - | 22.10 | 7.65 | 1.86 | 0.41 | - | - | 77.32 |
| Accumulated depreciation as at 31 March 2023 | - | 16.84 | 33.77 | 200.91 | 3.49 | 18.95 | 66.82 | 27.11 | 29.95 | 36.45 | 55.46 | 27.85 | 362.96 |
| Net carrying value as at 31 March 2023 | 65.43 | 63.47 | 113.05 | 195.65 | 0.54 | 16.91 | 8.80 | 7.65 | 15.02 | 24.04 | 19.22 | 350.87 | 879.95 |
| Net carrying value as at 31 March 2022 | 65.08 | 24.86 | 120.77 | 105.30 | 0.77 | 16.90 | 13.93 | 11.31 | 20.26 | 31.16 | 22.33 | - | 432.67 |

- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company
- Land situated at Ibrahimpatnam and allotted by TSIIC Ltd., during FY 21-22 yet to be registered in the name of the company pending completion of the project. The posession is with the company in terms of sale agreement executed with TSIIC Ltd.

4. Capital work-in-progress

(All amounts in Rs. Lakhs, except share data and where otherwise stated)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|---------------------|---------------------|
| Capital work-in-progress | 343.25 | 241.78 |
| Total | 343.25 | 241.78 |

Capital work-in-progress (CWIP) 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 | | |
| Projects in progress | 343.25 | - | - | - | | 343.25 |
| Projects temporarily suspended | - | - | - | - | | - |
| Balance as at March 2023 | 343.25 | - | - | - | | 343.25 |
| Projects in progress | 241.78 | - | - | - | | 241.78 |
| Projects temporarily suspended | - | - | - | - | | - |
| Balance as at March 2022 | 241.78 | - | - | - | | 241.78 |

- a. Rs.68.68 lac relates to construction of manufacturing block at Ibrahimpatnam
- b. Rs.274.57 lac related to erection of Sewage Treatment Plant at My Home Hub

5 Right of use assets and Lease Liabilities

The Company has lease contracts for office and factory premises with no restrictions and are renewable at the option of the parties mutually agreed from time to time. Leases of building generally have lease terms between 4 and 5 years. The escalation rate is 5% per annum as per the terms of the lease agreement. The Company also has certain lease spaces including guest houses with lease term of 12 months or less and with low value. The Company applies the 'short-term lease' and lease of 'low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the year

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|------------------------|----------------------------|----------------------------|
| Opening balance | 202.24 | 109.65 |
| Additions | - | 129.31 |
| Amortization | 55.36 | 36.71 |
| Closing balance | 146.89 | 202.24 |

Carrying amounts of lease liabilities and the movements during the year

| | | |
|------------------------|---------------|---------------|
| Opening balance | 214.44 | 111.69 |
| Additions | 0.00 | 129.31 |
| Accretion of interest | 21.62 | 17.50 |
| Payments | 67.96 | 44.05 |
| Closing balance | 168.11 | 214.44 |
| Current | 55.34 | 46.33 |
| Non-current | 112.77 | 168.11 |

The following are the amounts recognised in statement of profit and loss

| | | |
|------------------------------------|--------------|--------------|
| Amortization of right to use asset | 55.36 | 36.71 |
| Interest on lease obligations | 21.62 | 17.50 |
| Total | 76.98 | 54.21 |

The effective interest rate for lease liabilities is 11.06%, with maturity between 2021 and 2025.

Contractual maturities of lease liabilities on undiscounted basis as on

| | | |
|----------------------|---------------|---------------|
| Less than one year | 55.34 | 46.33 |
| One to five years | 112.77 | 168.11 |
| More than five years | | |
| | 168.11 | 214.44 |

6. Intangible Assets

| Description | Bio Digester Technology | Software | Total |
|---|-------------------------|--------------|--------------|
| Cost as on 31 March 2021 | 10.80 | 13.25 | 24.05 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Cost as on 31 March 2022 | 10.80 | 13.25 | 24.05 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Cost as at on March 2023 | 10.80 | 13.25 | 24.05 |
| Accumulated depreciation as on 31 March 2021 | 9.34 | 2.23 | 11.57 |
| Depreciation for the year | 1.03 | 1.26 | 2.28 |
| Disposals/adjustments | - | - | - |
| Accumulated depreciation as on 31 March 2022 | 10.37 | 3.49 | 13.86 |
| Depreciation for the year | 0.43 | 1.39 | 1.82 |
| Disposals/adjustments | - | - | - |
| Accumulated depreciation as on 31 March 2023 | 10.80 | 4.88 | 15.68 |
| Accumulated depreciation as on 31 March 2023 | -0.00 | 9.82 | 9.82 |
| Accumulated depreciation as on 31 March 2022 | 0.43 | 9.76 | 10.19 |

7. Investments

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| | | |
| Investments carried at cost | | |
| Unquoted equity shares (fully paid up) | | |
| Investments in equity instruments of associates | | |
| Sai Banka SPV Pvt Ltd | 3.92 | 3.29 |
| Sustainable Sanitation Industry Association | 1.72 | 1.72 |
| Megaliter Varunaa Pvt Ltd | - | - |
| | 5.65 | 5.01 |

8. Other financial assets (Non-Current)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|------------------------|------------------------|
| Unsecured, considered good | | |
| Security deposits with customers | 158.05 | 40.09 |
| Other security deposits | 28.55 | 27.04 |
| Margin Money with banks with more than 12 months maturity* | 98.86 | 150.40 |
| | 285.45 | 217.53 |

* Includes Rs.2.66 lac (PY Rs.10.14) being the deposits made in the banks in the names of customers

9. Other Non current assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|------------------------|------------------------|
| Unsecured, considered good | | |
| Capital advances | 113.57 | - |
| | 113.57 | - |

10 (i). Inventories-Non Currenet (valued at lower of cost and net realizable value)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|------------------------|------------------------|
| WIP-Customer FST Projects* | 556.35 | 501.64 |
| | 556.35 | 501.64 |

*Represents the cost incurred for execution of Customer Faecle Slude Treatment Plants for Governments and billed as per contract on long term basis (9.50 years)

10 (ii). Inventories-Currenet (valued at lower of cost and net realizable value)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------------|------------------------|------------------------|
| Raw materials | 585.67 | 638.35 |
| Stores and spares | 23.49 | 14.52 |
| Semi-finished goods | 16.43 | 15.74 |
| Finished goods | 246.52 | 170.32 |
| Total | 872.10 | 838.93 |

11. Trade Receivable

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Unsecured, considered good | | |
| Trade receivables from related parties (refer note 35) | | |
| Trade receivables from other parties | 1,169.98 | 2,035.93 |
| Less: Allowance for expected credit losses | - | - |
| Unsecured, Credit impaired | 1,169.98 | 2,035.93 |
| Trade receivables from related parties (refer note 35) | | |
| Trade receivables from other parties | | |
| Less: Allowance for expected credit losses | 1,169.98 | 2,035.93 |

Trade Receivables ageing schedule (Unsecured)

| Particulars | Outstanding for following periods from due date of payment | | | | | | | Total |
|--|--|---------------|-------------------|---------------|--------------|---------------|-----------------|-------|
| | Not Due | < 6 months | 6 months - 1 year | 1-2 years | 2-3 years | > 3 years | | |
| (i) Undisputed Trade Receivables — considered good | - | - | - | - | - | - | - | - |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | | | | | | | | - |
| (iii) Undisputed Trade Receivables — credit impaired | | | | | | | | - |
| (iv) Disputed Trade Receivables — considered good | | | | | | | | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | | | | | | | | - |
| (vi) Disputed Trade Receivables — credit impaired | | | | | | | | - |
| Balance as at 31 March 2023 | 620.65 | 199.41 | 76.67 | 108.68 | 67.84 | 96.73 | 1,169.98 | |
| (i) Undisputed Trade Receivables — considered good | | | | | | | | - |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | | | | | | | | - |
| (iii) Undisputed Trade Receivables — credit impaired | | | | | | | | - |
| (iv) Disputed Trade Receivables — considered good | | | | | | | | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | | | | | | | | - |
| (vi) Disputed Trade Receivables — credit impaired | | | | | | | | - |
| Balance as at 31 March 2023 | 626.80 | 616.09 | 462.86 | 174.12 | 47.00 | 109.06 | 2,035.93 | |

Excludes unbilled revenue of Rs.1464.45 lac (PY Rs.841.57 lac) shown under other current assets

12. Cash and cash equivalents

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------------------|----------------------------|----------------------------|
| Cash on hand | 0.12 | 8.36 |
| Balances with banks | | |
| In Current accounts | 83.95 | 23.56 |
| Cash and cash equivalents | 84.07 | 31.92 |

14. Other financial assets (current)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|----------------------------|----------------------------|
| Security deposits with customers * | 287.43 | 236.51 |
| Other Deposits | 37.32 | - |
| Interest accrued but not due on fixed deposits | 15.01 | 22.63 |
| Other Advances | 99.12 | |
| | 438.88 | 259.13 |

Includes Rs.187.31 lac (PY Rs.Nil) being the deposits made in banks in the names of

13.1 Other Bank Balances

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|----------------------------|----------------------------|
| Bank deposits with < 12 months maturity | 50.00 | 51.00 |
| Margin money deposits | 124.53 | 345.11 |
| | 174.5 | 396.11 |

15. Income tax assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|----------------------------|----------------------------|
| Advance income tax (Net of provision for tax) | 54.96 | 190.67 |
| | 54.96 | 190.67 |

13.2 Loans

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|----------------------------|----------------------------|
| Loans to related parties | | |
| Associates | 21.84 | 27.57 |
| | 21.84 | 27.57 |

16. Other current assets

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|----------------------------|----------------------------|
| Unsecured, considered good | | |
| Advances to vendors | 119.34 | 85.50 |
| Advances to employees | 16.79 | 18.62 |
| Unbilled revenue | 1,122.55 | 841.57 |
| Others | 73.26 | 29.97 |
| | 1,331.93 | 975.66 |

17. Share capital

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|---|---------------------|----------|---------------------|----------|
| | Number of shares | Amount | Number of shares | Amount |
| (a) Authorised | | | | |
| Equity shares of Rs.10/- each per share | 1,50,00,000 | 1,500.00 | 1,50,00,000 | 1,500.00 |
| (a) Issued | | | | |
| Equity shares of Rs.10/- each per share | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |
| (a) Subscribed and fully paid up | | | | |
| Equity shares of Rs.10/- each per share | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|--|---------------------|----------|---------------------|----------|
| | Number of shares | Amount | Number of shares | Amount |
| Balance as at the beginning of the year | 1,08,46,582 | 1,084.66 | 1,02,81,120 | 1,028.11 |
| Bonus shares issued during the year | | | | |
| Shares issued through preferential issue | - | - | 5,65,462 | 56.55 |
| Balance as at the end of the year | 1,08,46,582 | 1,084.66 | 1,08,46,582 | 1,084.66 |

b. Rights, preferences, restrictions attached to equity shares

The company has only one class of shares having a face value of Rs. 10/- per share. All equity shareholders rank pari-passu in respect of dividend and voting rights. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|----------------------------|---------------------|----------------|---------------------|----------------|
| | Number of shares | %age of shares | Number of shares | %age of shares |
| a. Namita Banka | 34,98,999 | 32.26 | 35,22,694 | 32.48 |
| b. Sanjay Banka | 12,16,000 | 11.21 | 12,16,000 | 11.21 |
| c. Vishal Murarka | 11,63,640 | 10.73 | 11,63,640 | 10.73 |
| d. Prabodh Agarwal | 6,32,951 | 5.84 | 8,09,466 | 7.46 |
| e. Akhilesh Kumar Tripathi | 5,18,045 | 4.78 | 5,70,196 | 5.26 |

d. Details of shareholding by Promoters of the Company

| Particulars | As on 31 March 2023 | | |
|--------------------------------|---------------------|----------------|--------------------------|
| | Number of shares | %age of shares | % Change during the year |
| a. Namita Banka | 34,98,999 | 32.26 | 0.22 |
| b. Sanjay Banka | 12,16,000 | 11.21 | - |
| c. Vishal Murarka | 11,63,640 | 10.73 | - |
| d. Sanjay Kumar Banka (HUF) | 16,562 | 0.15 | 0.10 |
| e. Vineet Satyanarayan Murarka | 88,893 | 0.82 | 0.03 |

18. Other Equity

(All amounts in actual Indian rupees, except share data and where otherwise stated)

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-----------------------------------|-----------------------------------|
| Security Premium | | |
| Opening balance | 8,51,66,246 | 4,74,95,168 |
| Add: Received on preferential allotment of equity shares | - | 3,76,71,078 |
| Utilised during the year towards issue of bonus shares | - | - |
| Closing balance | 8,51,66,246 | 8,51,66,246 |
| | | |
| Retained Earnings | | |
| Opening balance | 18,13,87,070 | 14,99,70,362 |
| Add: Profit during the year | 2,53,89,444 | 3,10,76,447 |
| Less: Dividend distribution tax | - | - |
| Items recognised directly in other comprehensive income | - | - |
| Re-measurement losses on employee defined benefit plans (net of tax) | 5,80,761 | 3,40,262 |
| Closing Balance | 20,73,57,275 | 18,13,87,070 |
| | | |
| Total | 29,25,23,521 | 26,65,53,317 |

19. Borrowings

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|-------------------------|------------------------|------------------------|
| Secured | | |
| ECB loan | 308.15 | 512.75 |
| Vehicle/Equipment loans | - | 3.70 |
| Term loans from banks | 84.60 | - |
| Unsecured | | |
| Term loans from banks | 52.06 | 90.21 |
| Term loans from NBFC's | 25.67 | 116.85 |
| From Directors | | 19.41 |
| | 470.44 | 742.91 |

Repayment terms and security details

1) Secured Loans

a. Tranche I of ECB loan is repayable in 5 years and carrying interest rate of 10.40% pa . Tranche II of ECB loan is repayable in 4 years and carrying interest rate of 9.50% pa. ECB loan is secured by (1) Hypothecation (Exclusive first charge) of Plant & Equipment at each of the 4 manufacturing plants owned or leased by the Company, (2) All receivables of Andhra Pradesh FSM Package and the Telangana FSM Package and (3) Personal Guarantees from Mrs. Namita Sanjay Banka, Managing director & Mr. Sanjay Banka, Chairman and whole time direcor.

b. Term Loan from bank is repayable in 48 monthly installments ending on 10 August 2027 and carrying interest rate @ 3 M T Bill+Interest Margin (i.e.9.50% pa). The loan is secured by way of exclusive charge on movable fixed assets (funded out of the term loan), exclusive charge on office building of the company located at Lakdi-ka-pool, exclusive charge on the residential property of Mrs. Namita Banka, located at Lakdi-ka-pool and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Vishal Murarka, CEO and Executive Director, Mr. Akhilesh Tripathi Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

c. Cash Credit facility of Rs.300 lac from Bank is for one year and repayable on demand and carrying interest rate of 9.65% pa. The loan is secured by hypothecation of Stock & Book debts (1st paripassu charge), exclusive charge on Industrial Land of the company located Aler and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Akhilesh Tripathi Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

d. Cash Credit facility of Rs.400 lac is for one year and repayable on demand and carrying interest rate of 9.00% pa. The facility is secured by hypothecation of Stock & Book debts (1st paripassu charge), pari passu first charge on movable fixed assets (excluding those funded by term loan) exclusive charge on land & buildings situated in plot No.16 & 17 MSME, Ibrahimpatnam, exclusive charge on office building of the company located at Lakdi-ka-pool, exclusive charge on the residential property of Mrs. Namita Banka, located at Lakdi-ka-pool and personal guarantees of Mr. Sanjay Banka, Executive Charman, Mrs. Namita Banka, Managing Director, Mr. Vishal Murarka, CEO and Executive Director, Mr. Akhilesh Tripathi Director and Mr. T.V. Rama Krishna, CFO and Executive Director.

From Banks

Vehicle/Equipment loans from Bank is carrying an interest rate of 9.50% pa

1) Unsecured Loans

From Banks

- a. Unsecured loans from Banks carrying interest rate ranging from 16.50% pa to 18% pa.
- b. Unsecured loans from Banks under Emergency Credit Guarantee Scheme carrying interest rate ranging from 8.25% pa to 9.25% pa.

From NBFC's

- a. Unsecured loan from NBFCs under Emergency Credit Guarantee Scheme carrying interest rate 14% pa.
- b. Unsecured loan from NBFCs carrying interest rate ranging from 16% pa to 20.00%.

3) The company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

4) The company is not declared as a willful defaulter.

20. Long Term Provisions

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------------------------|----------------------------|----------------------------|
| Provision for employee benefits | | |
| Provision for Gratuity | 28.78 | 29.12 |
| | 28.78 | 29.12 |

21. Short Term Borrowings

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|----------------------------|----------------------------|
| Secured | | |
| Bank OD | 716.25 | 529.73 |
| Currentmaturities of long term liabilities | | |
| Secured | | |
| Term loans from Banks | 16.05 | 48.27 |
| ECB Loan | 204.61 | 121.57 |
| Vehicle loans* | 3.70 | 9.66 |
| Unsecured | | |
| Term loans from banks | 45.21 | 126.09 |
| Term loans from NBFC's | 23.68 | 56.94 |
| Total | 1,009.48 | 892.25 |

Repayment terms and security details

a. Cash Credit facility under CGTMS Scheme is for one year and repayable on demand and carrying interest rate of RBI Repo Rate + markup + CRP (9.35% pa). The loan is secured by hypothecation of Stock & Book debts, personal guarantees of Mr. Ajay Jain, Director, Mrs. Ritu Jain, Ex-director.

The security, tenor and terms of the facility are provided under Note No.19

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

22. Trade payables

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Total outstanding dues of MSME creditors | 81.82 | 70.64 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 232.77 | 295.29 |
| Total | 314.59 | 365.93 |

Trade payables Aging Schedule

| Particulars | < 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | > 3 years | Total |
|---------------------------------|---------------|-------------------|--------------|--------------|--------------|---------------|
| (i) MSME | 23.28 | 14.03 | 20.33 | 3.30 | 20.89 | 81.82 |
| (ii) Others | 183.4 | 17.94 | 8.72 | 7.17 | 15.49 | 232.77 |
| (iii) Disputed dues — MSME | | - | | | | |
| (iv) Disputed dues - Others | | - | | | | |
| Balance as at March 2023 | 206.72 | 31.97 | 29.05 | 10.46 | 36.38 | 314.59 |
| (i) MSME | 26.93 | 3.33 | 17.45 | 11.13 | 11.79 | 70.64 |
| (ii) Others | 258.99 | 10.06 | 6.09 | 9.39 | 10.76 | 295.29 |
| (iii) Disputed dues — MSME | | | | | | |
| (iv) Disputed dues - Others | | | | | | |
| Balance as at March 2022 | 285.92 | 13.39 | 23.54 | 20.52 | 22.56 | 365.93 |

23. Other Financial Liabilities

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------|----------------------------|----------------------------|
| Other financial liabilities | 165.37 | 18.62 |
| Unclaimed Dividend | 0.03 | 0.03 |
| Total | 165.40 | 18.65 |

25. Revenue from Operations

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------|----------------------------|----------------------------|
| Sale of products | 794.27 | 1,518.87 |
| Income from services | 4,080.19 | 2,954.13 |
| Total | 4,874.46 | 4,473.00 |

24. Other Current Liabilities

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------|----------------------------|----------------------------|
| Advances from customers | 23.33 | 18.66 |
| Statutory liabilities | 67.04 | 117.75 |
| Salaries & bonus Payable | 209.89 | 251.86 |
| Expenses Payable | 8.67 | 3.66 |
| Total | 308.93 | 391.94 |

26. Other Income

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------------|----------------------------|----------------------------|
| Interest income on fixed deposits | 42.21 | 39.11 |
| Interest on Loans given | 13.35 | - |
| Discount received | 9.41 | 6.25 |
| Gain from Sale of Investments | - | 0.00 |
| Miscellaneous | 5.14 | |
| Total | 70.11 | 45.37 |

27. Cost of Materials Consumed (Including Packing Material, Stock in Trade and Consumables)

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------|------------------------|------------------------|
| Opening stock | 652.87 | 299.35 |
| Add: Purchases | 641.75 | 930.55 |
| Closing stock | 701.41 | 451.24 |
| | 593.21 | 778.67 |

28. Changes in inventories of finished goods, semi finished goods and stock-in-trade

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-----------------------------|------------------------|------------------------|
| Opening stock of FG and SFG | 687.69 | 581.15 |
| Closing stock of FG and SFG | 727.05 | 687.69 |
| | (39.35) | (106.54) |

29. Employee benefits expense

| Particulars | As on 31 March 2023 | As on 31 March 20212 |
|----------------------------|------------------------|-------------------------|
| Salaries, wages and bonus* | 2,108.65 | 1,585.10 |
| Contributions to EPF & ESI | 210.21 | 158.42 |
| Contribution to gratuity | 22.42 | 21.64 |
| Staff welfare expenses | 28.81 | 11.26 |
| Total | 2,370.09 | 1,776.42 |

* Includes Directors remuneration of Rs.214.85 lac (PY Rs.188.70 lacs)

30. Finance Cost

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-------------------------------|------------------------|------------------------|
| Interest on term loans | 105.14 | 112.76 |
| Interest on bank OD | 23.20 | 33.85 |
| Interest on Lease Liabilities | 21.62 | 17.50 |
| Other borrowing cost | 4.85 | 9.67 |
| | 154.81 | 173.78 |

31. Depreciation and amortisation expenses

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|------------------------|------------------------|
| Depreciation on property, plant and equipment | 91.07 | 55.15 |
| Amortization of intangible assets | 1.82 | 2.28 |
| Amortization of right to use asset | 55.36 | 36.71 |
| | 148.25 | 94.15 |

32. Other Expenses

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|------------------------|------------------------|
| Contractor and labour expenses | 91.20 | 261.75 |
| Site expenses | 46.47 | 43.71 |
| Project expense | 185.53 | 196.47 |
| Freight outward | 76.37 | 69.40 |
| Rent | 22.08 | 37.53 |
| Power & fuel | 9.05 | 9.89 |
| Insurance | 21.58 | 15.18 |
| Rates & taxes | 9.96 | 16.65 |
| Repairs & maintenance | 9.49 | 14.12 |
| Consultancy charges | 37.82 | 59.52 |
| Printing & stationery | 9.50 | 10.93 |
| Office maintenance | 8.96 | 16.86 |
| Travelling & conveyance | 77.65 | 60.81 |
| Communication expenses | 3.89 | 4.31 |
| Business promotion | 19.37 | 2.98 |
| Selling expenses | 30.37 | 20.45 |
| Inspection & testing charges | 11.40 | 14.21 |
| Audit fees | - | - |
| Statutory audit | 4.15 | 2.25 |
| Tax audit | 0.83 | 0.75 |
| Other services | 0.60 | 0.60 |
| Corporate social responsibility expenditure | 8.51 | 10.26 |
| Bank charges | 24.56 | 5.26 |
| Impairment of assets | - | - |
| Miscellaneous expenses | 6.97 | 1.65 |
| Donations | - | - |
| Loss on sale of assets | - | 0.25 |
| Import Foreign Fluctuations charges | - | - |
| | 716.31 | 875.79 |

33. Details of Corporate social responsibility expenditure

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---|--|--|
| i) Amount required to be spent by the company during the year | 8.51 | 10.26 |
| ii) Amount required to be set off for the financial year, if any | | |
| iii) Total CSR obligation for the financial year | 8.51 | 10.26 |
| iv) Amount of expenditure incurred | | |
| (a) Construction/acquisition of any asset | | |
| (b) On purposes other than (a) above | 8.51 | 10.26 |
| v) Shortfall at the end of the year ((iii)-(iv)) | - | - |
| vi) Total of previous years shortfall | - | - |
| vii) Reason for shortfall | NA | NA |
| viii) Nature of CSR activities | Providing toilets, donation of food-waste treatment equipment, training to women | Providing toilets, donation of food-waste treatment equipment, training to women |
| ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard | 8.51 | 10.26 |
| x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | - | - |

34. Employee Benefits

a. Defined contribution plan

Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed Rs. 1,66,13,439/- (Previous year Rs.1,29,65,865/-) towards provident fund plan during the year ended 31 March 2023.

b. Defined Benefit Plan

The Company provides for gratuity, a defined benefit plan ("Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum gratuity payment to eligible employees of the company on superannuation, death and permanent disablement . The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company.

The following table sets out funded status of the Gratuity Plan, and the amounts recognised in the Company's financial statements as on 31 March 2023.

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|-------------|---------------------|---------------------|
|-------------|---------------------|---------------------|

i. Changes in the present value of obligation

| | | |
|---|--------------|--------------|
| Defined benefit obligation as at beginning of the year | 81.84 | 65.48 |
| Current service cost | 20.89 | 19.41 |
| Interest cost | 5.82 | 4.45 |
| Actuarial (gain)/loss | (8.06) | (7.51) |
| Benefits paid | (0.81) | 0.00 |
| Defined benefit obligation as at the end of the year | 99.68 | 81.84 |

ii. Changes in fair value of plan assets

| | | |
|--|--------------|--------------|
| Fair value of plan assets as at the beginning of the year | 52.72 | 32.72 |
| Acquisition Adjustment | (0.22) | 0.00 |
| Investment income | 4.29 | 2.22 |
| Employer's contribution | 15.22 | 20.78 |
| Employer's contribution | - | 0.00 |
| Expenses | (0.30) | (3.00) |
| Benefits Paid | (0.81) | 0.00 |
| Fair value of plan assets as at the end of the year | 70.90 | 52.72 |

iii. Fair value of assets and obligations

| | | |
|---|----------------|----------------|
| Fair value of plan assets | 70.90 | 52.72 |
| Present value of obligation | 99.68 | 81.84 |
| Amount recognized in balance sheet | (28.78) | (29.12) |

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| iv. Expenses recognised during the year | | |
| In Income Statement | | |
| Current service cost | 20.89 | 19.41 |
| Interest cost/(income) | 1.54 | 2.23 |
| Expenses recognised in the income statement | 22.42 | 21.64 |
| In Other Comprehensive Income (OCI) | | |
| Actuarial (gain)/loss | | |
| Opening balance difference | | - |
| Others | 0.30 | 3.00 |
| (Gain)/loss actual v expected | (8.06) | (7.51) |
| Net (income)/expense recognised in OCI | (7.76) | (4.51) |
| v. Actuarial assumptions | | |
| Discount rate (per annum) | 7.38% | 7.15% |
| Salary growth rate (per annum) | 2.00% | 2.00% |

vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

| Particulars | As on 31 March 2023 | | As on 31 March 2022 | |
|-----------------------------|---------------------|----------|---------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Change in discounting rate | 108.94 | 91.72 | 89.62 | 75.16 |
| increase | 83.90 | 119.43 | 68.64 | 98.43 |
| Change in rate of attrition | 85.39 | 111.86 | 74.21 | 88.56 |
| Change in rate of mortality | 96.71 | 102.37 | 81.70 | 81.97 |

35. Related Parties

a. List of the transacted Related Parties and description of relationship

| Nature of Relationship | Name of the related party |
|--|---|
| Associate Company | Sai Banka SPV Pvt Ltd |
| | Sustainable Sanitation Industry Association |
| Key managerial personnel (KMP) | |
| Sanjay Banka | Executive Chairman |
| Namita Banka | Managing Director |
| Vishal Murarka | Executive Director & CEO |
| Akhilesh Kumar Tripathi | Executive Director |
| T. V. Rama Krishna | Executive Director & CFO |
| Anil Sharma | Independent Director [wef 01.10.2022] |
| Sandip Poddar | Independent Director [up to 30.09.2022] |
| Sanjay Kumar Gangwar | Independent Director [wef 1.10.2019] |
| Kamalesh Sekhar | Independent Director [wef 1.10.2019] |
| Aparajita Agarwal | Independent Director [wef 17.09.2020] |
| D Basava Raju | Independent Director [wef 7.09.2020] |
| Sri Bala Aditya | Company Secretary [up to 31.10.2022] |
| Archana Arigela | Company Secretary [wef 01.11.2022] |
| Relative of KMP | Vineet Satyanarayan Murarka |
| Enterprises controlled by keymanagement personnel | Vinraa Technology LLP |
| | Sanjay Kumar Banka HUF |
| | Banka Earth Foundation |

b. Transactions with Related parties

| Nature of Relationship | Name of the related party | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------|---|----------------------------|----------------------------|
| Managerial Remuneration | Sanjay Banka | 48.37 | 48.37 |
| | Namita Banka | 37.02 | 34.04 |
| | Vishal Murarka | 45.20 | 43.11 |
| | T. V. Rama Krishna | 29.16 | 27.07 |
| | Akhilesh Kumar Tripathi | 30.10 | 28.07 |
| | Ajay Jain | 25.00 | 8.04 |
| Salary | Archana Arigela-Company Secretary | 3.25 | - |
| Salary | Sri Bala Aditya-Company Secretary | 1.75 | 3.00 |
| Purchases | Vinraa Technology LLP | - | 5.27 |
| Advance repaid | Vinraa Technology LLP | - | 7.07 |
| Loand refunded | Sai Banka SPV Pvt Ltd | 5.73 | - |
| Sale | Sai Banka SPV Pvt Ltd | - | 1.50 |
| Loan given | Sai Banka SPV Pvt Ltd | - | 27.19 |
| Interest Received | Sai Banka SPV Pvt Ltd | 2.05 | 1.18 |
| Investment | Sustainable Sanitation Industry Association | - | - |
| Sale | Banka Earth Foundation | 35.15 | 20.90 |

c. Balances as at 31 March 2023

| Nature of Relationship | Name of the related party | As at 31 March 2023 | As at 31 March 2022 |
|----------------------------------|---|---------------------|---------------------|
| Managerial remuneration | Sanjay Banka | 1.76 | 2.86 |
| | Akhilesh Kumar Tripathi | 1.84 | 0.83 |
| | T.V. Rama Krishna | 1.71 | 0.32 |
| | Vishal Murarka | 2.84 | 2.02 |
| | Namita Banka | 2.07 | - |
| | Archana Arigela | 0.63 | - |
| | Sri Bala Aditya | - | 0.25 |
| Loan receivable | Sai Banka SPV Pvt Ltd | 20.00 | 26.51 |
| Interest Receivable | Sai Banka SPV Pvt Ltd | 1.84 | 1.06 |
| Investment | Sustainable Sanitation Industry Association | 2.00 | 2.00 |
| Investment | Sai Banka SPV Pvt Ltd | 0.50 | 0.50 |
| Loan payable | Ajay Jain | 19.93 | 19.29 |
| Reimbursement of Expenses | Ajay Jain | 0.72 | 0.13 |
| Reimbursement of Expenses | Ritu Jain | 2.82 | 2.82 |

36. Earnings per Share

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Profit after tax attributable to equity shareholders | 253.89 | 310.76 |
| Weighted average number of equity shares for Basic EPS | 108 | 103 |
| Weighted average number of equity shares for Diluted EPS | 108 | 103 |
| Basic earnings per Share | 2.34 | 3.02 |
| Diluted earnings per Share | 2.34 | 3.02 |

37 Income Taxes

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|---------------------------------|---------------------|---------------------|
| Current tax expense | 56.88 | 27.88 |
| Tax for earlier years | 24.98 | - |
| Deferred tax expense | 26.65 | (7.75) |
| Total income tax expense | 108.51 | 20.13 |

Reconciliation of effective tax rate

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|---------------------|---------------------|
| Profit before Income Tax | 361.77 | 328.18 |
| Tax Rate | 25.17% | 25.17% |
| Tax expense | 91.05 | 80.34 |
| Effect of: | | |
| Unrecognised deferred tax assets | - | - |
| Interest U/s 234B & 234C | | |
| Expenses deductible for Tax purposes (Depreciation effect) | 14.16 | 2.71 |
| Disallowing in PY allowed in CY (Sec 43B) | (9.20) | (5.05) |
| Deduction U/s 80JJA | (24.85) | (50.12) |
| Others | 37.35 | (7.76) |
| Income tax expense | 108.51 | 20.13 |

Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|----------------------------------|---------------------|---------------------|
| Property, plant and equipment | 79.45 | 8.68 |
| Current liabilities & provisions | (57.79) | (1.74) |
| Net deferred tax Liabilities | 21.66 | 6.94 |

Movement in deferred tax assets and liabilities during the years ended 31 Mar 2022 and 31 Mar 2023

| Particulars | Year ended 31 March 2022 | Charge/(credit) to profit or loss | Year ended 31 March 2023 |
|---|--------------------------|-----------------------------------|--------------------------|
| Deferred tax (assets)/liabilities: | | | |
| Property, plant and equipment | 8.68 | 70.77 | 79.45 |
| Current liabilities & provisions | (1.74) | (56.05) | (57.79) |
| Net Deferred tax Liabilities | 6.94 | 14.72 | 21.66 |

Movement in deferred tax assets and liabilities during the years ended 31 Mar 2021 and 31 Mar 2022

| Particulars | Year ended 31 March 2021 | Charge/(credit) to profit or loss | Year ended 31 March 2022 |
|---|-----------------------------|-----------------------------------|--------------------------|
| Deferred tax (assets)/liabilities: | | | |
| Property, plant and equipment | 9.98 | (1.29) | 8.68 |
| Current liabilities & provisions | (8.66) | 6.92 | (1.74) |
| Net Deferred tax Liabilities | 1.32 | 5.62 | 6.94 |

38 Contingent Liabilities and Commitments

a. Contingent Liabilities

| Particulars | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------|--------------------------|--------------------------|
| Bank guarantee outstanding | 434.50 | 95.99 |

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2023 is Rs.193.75 lac (31 March 2022: Rs.162.83)

39. Capital Management

The company manages its capital to ensure that it will be able to continue as going concern while creating value for share holders by facilitating the meeting of long term and short term goals of the Company.

The company determines the amount of capital required on the basis of annual business plan coupled long term and short term strategic investment and expansion plans.

The company monitors the capital by using net debt equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

| Particulars | Year ended | Year ended |
|---------------------------------|----------------------|----------------------|
| | 31 March 2023 | 31 March 2022 |
| Non current borrowings | 493.90 | 742.91 |
| Current borrowings | 1009.48 | 892.25 |
| Total debts | 1,503.38 | 1,635.16 |
| Less: Cash and cash equivalents | 84.07 | 31.92 |
| Other bank balances | 50.00 | 51.00 |
| Adjusted net debts | 1,369.31 | 1,552.24 |
| Equity | 1084.66 | 1084.66 |
| Other equity | 2,925.24 | 2,665.53 |
| Total equity | 4,009.89 | 3,750.19 |
| Adjusted net debt to equity | 0.34 | 0.41 |

40 Segment Reporting

As per the assessment undertaken by CODM, the allocation of resources and assessment of the financial performance is undertaken at the company level. The Company has only one reportable business segment, which is manufacturing, supplying and installation of Bio toilets and related AMOC services. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

Geographical information

The company has whole revenues from customers domiciled in India.

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------|----------------------------|----------------------------|
| Within India | 4,234.98 | 3,875.08 |
| Outside India | - | - |
| Total | 4,234.98 | 3,875.08 |

41. Details of dues to micro and small enterprises as defined under MSMED Act 2006

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--|----------------------------|----------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year | | |
| - Principal amount due to micro and small enterprises | 81.82 | 70.64 |
| - Interest due on above | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act. | - | - |
| The amount of interest accrued, and remaining unpaid at the end of each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act. | - | - |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information requested by the management and responded by its vendors to the company.

42 Financial Risk Management

In course of its business, the company is exposed to certain financial risk such as market risk, credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors and the Audit Committee reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

a. Credit risk

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has a prudent and conservative process for managing its credit risk raising in the course of its business activities. Credit risk is managed through continuously monitoring the creditworthiness of customers and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

b. Liquidity risk

Liquidity Risk refers to 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, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The company has obtained fund and non fund based working capital loans from bank. The borrowed funds are generally applied for company's own operational activities.

| Particulars | Up to 1 year | 2 to 3 years | 3 to 5 years |
|------------------------|-----------------|---------------|--------------|
| 31-Mar-23 | | | |
| Non-current borrowings | - | 456.28 | 37.62 |
| Current borrowings | 1,009.48 | - | - |
| Trade payables | 314.59 | - | - |
| Other payables | 474.33 | | |
| Lease Liabilities | 55.34 | 112.77 | |
| | 1,853.74 | 569.05 | 37.62 |
| 31-Mar-22 | | | |
| Non-current borrowings | 283.20 | 443.47 | 16.24 |
| Current borrowings | 892.25 | - | - |
| Trade payables | 365.93 | - | - |
| Other payables | 410.59 | | |
| Lease Liabilities | 46.33 | 168.11 | |
| | 1,998.31 | 611.58 | 16.24 |

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices such as commodity prices, foreign currency exchange rates and other market changes.

d. Exchange rate risk

The company has no foreign operations and hence not exposed to exchange rate risk.

e. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers /buyers credit.

The Interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the company is as follows:

| Particulars | As on 31 March 2023 | As on 31 March 2022 |
|--------------------------------------|---------------------|---------------------|
| Floating rate instruments | | |
| Financial liabilities | | |
| Term loans from banks | 100.65 | 48.27 |
| Working capital facilities from bank | 716.25 | 529.73 |
| Total | 816.90 | 578.00 |

Cash flow sensitivity analysis for variable -rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowing summarized above. This calculation assumes that the change occurs at the balance sheet date and has been calculated on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

| Cash flow sensitivity (net) | Profit or Loss | |
|--------------------------------|----------------|----------------|
| | 25 bp increase | 25 bp decrease |
| 31-Mar-23 | 2.04 | (2.04) |
| Variable rate loan instruments | | |
| 31-Mar-22 | 1.44 | (1.44) |
| Variable rate loan instruments | | |

43 Financial Instruments valuation

All financial instruments are initially measured at cost and subsequently measured at fair value.

The carrying value and fair value of financial instruments by categories as of 31 March 23 are as follows

| Particulars | Carrying Value | Level of input used in | | | Fair Value |
|------------------------------|----------------|------------------------|---------|---------|------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| At Amortised Cost | | | | | |
| Investments* | - | - | - | - | - |
| Trade receivables | 1,169.98 | - | - | - | 1,169.98 |
| Cash and cash equivalents | 84.07 | - | - | - | 84.07 |
| Other bank balances | 174.53 | - | - | - | 174.53 |
| Other financial assets | 724.33 | - | - | - | 724.33 |
| Financial liabilities | | | | | |
| At Amortised Cost | | | | | |
| Borrowings | 493.90 | - | - | - | 493.90 |
| Short-term borrowings | 1,009.48 | - | - | - | 1,009.48 |
| Trade payables | 314.59 | - | - | - | 314.59 |
| Lease Liabilities | 168.11 | - | - | - | 168.11 |
| Other financial liabilities | 165.40 | - | - | - | 165.40 |

The carrying value and fair value of financial instruments by categories as of 31 March 22 are as follows

| Particulars | Carrying Value | Level of input used in | | | Fair Value |
|-------------------------------|----------------|------------------------|---------|---------|------------|
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | |
| At Amortised Cost | | | | | |
| Investments* | - | - | - | - | - |
| Trade receivables | 2,035.93 | - | - | - | 2,035.93 |
| Cash and cash equivalents | 31.92 | - | - | - | 31.92 |
| Other bank balances | 396.11 | - | - | - | 396.11 |
| Other financial assets | 476.67 | - | - | - | 476.67 |
| Financial liabilities | | | | | |
| At Amortised Cost | | | | | |
| Borrowings | 742.91 | - | - | - | 742.91 |
| Short-term borrowings | 892.25 | - | - | - | 892.25 |
| Trade payables | 365.93 | - | - | - | 365.93 |
| Lease Liabilities | 214.44 | - | - | - | 214.44 |
| Other financial liabilities | 18.65 | - | - | - | 18.65 |

* excludes Financial assets measured at cost

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable Inputs for the asset or liability.

44. Additional Information as required under Schedule III to the Companies act, 2013 pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

| Name of the entity in the Group | Net Assets i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|-----------------|-------------------------------------|---------------|---|-------------|-------------------------------------|---------------|
| | As % of Consolidated net assets | Amount | As % of Consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent - Banka Bioloo Ltd | 100.66% | 4,036.21 | 112.30% | 285.11 | 100.00% | 5.81 | 112.02% | 290.92 |
| Subsidiaries – Indian | | | | | | | | |
| Enzotech Solutions Pvt Ltd | -0.78% | -31.23 | -13.16% | -33.42 | 0.00% | - | -12.87% | -33.42 |
| Megaliter Varunaa Pvt Ltd | 0.04% | 1.56 | 0.61% | 1.56 | 0.00% | | 0.60% | 1.56 |
| Associates (Investment as per the equity method) | | | | | | | | |
| Sai Banka SPV Pvt Ltd | 0.08% | 3.35 | 0.25% | 0.64 | 0.00% | - | 0.25% | 0.64 |
| Total | 100.00% | 4,009.89 | 100.00% | 253.89 | 100.00% | 5.81 | 100.00% | 259.70 |

45 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

46 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Company has assessed the impact thereof and estimates no further provisions are required in this behalf.

47 Previous year figures have been regrouped/reclassified wherever necessary to conform to the current year's classification.

As per our report of even date attached

For PRSV & Co. LLP
Chartered Accountants
Firm Regn No. S200016

Raja Praturi
Partner
Membership No. 020615

**FOR AND BEHALF OF THE BOARD OF
DIRECTORS**

| | | |
|--|---|--|
| Sanjay Banka Executive Chairman DIN: 06732600 | Namita Banka Managing Director DIN: 05017358 | Vishal Murarka CEO & Executive Director DIN: 06729485 |
|--|---|--|

Place: Hyderabad
Date: 30.05.2023

T.V. Rama Krishna
CFO & Executive Director
DIN: 07977695

Archana Arigela
Company Secretary
M No. A65613

Section E:

Notices



Banka BioLoo Limited

Regd. Off: Plot 11-4-651, A-109, Express Apartments, Lakdi ka Pool,
Hyderabad – 500004, Telangana CIN: L90001TG2012PLC082811

Email: cs@bankabio.com; www.bankabio.com

Notice of AGM 2022 - 2023

NOTICE is hereby given that the 11th Annual General Meeting of the members of Banka BioLoo Limited will be held on Monday, 25 September 2023 at 3 PM (15:00 hours) (IST), through video conferencing ("VC") / other audio-visual means ("OAVM") to transact the following business:, Begumpet, Hyderabad – 500016, through video conferencing ("VC") / other audio-visual means ("OAVM") to transact the following business:

I. ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the financial year ended 31 March 2023, together with the reports of the Board of Directors and the Auditors thereon

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited financial statements (both standalone and consolidated) of the Company for the financial year ended 31 March 2023, and the reports of the Board of Directors and Auditors thereon, laid before this meeting, are considered and adopted."

"RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions, and in connection with any matter incidental thereto."

2. To appoint a Director in place of Ms. Namita Banka (DIN: 05017358), who retires by rotation, and being eligible, offers herself for re-appointment

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Namita Banka (DIN: 05017358), who retires by rotation at this meeting, and being eligible, offers herself for re-appointment, is re-appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolution, and in connection with any matter incidental thereto."

B. SPECIAL BUSINESS

3. To approve the "Banka BioLoo Limited Employees Stock Option Plan - 2023" ("Plan" or "ESOP 2023" or "Scheme")

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other

applicable provisions, if any, of the Companies Act, 2013, read with rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued, or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, approval of the Members of the company is, hereby, accorded to the Board of Directors of the Company [hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee, designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations, 2021, to exercise its powers, including the powers conferred under this resolution (hereinafter referred as "Compensation Committee")], to introduce, notify and implement the scheme titled as "**Banka BioLoo Limited Employee Stock Option Plan - 2023**" ("Plan" or "ESOP 2023" or "Scheme") to create, issue, offer, grant, allot and/or transfer from time to time, up to a maximum of **5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine)** Employee Stock Options ("Options"), in one or more tranches, which shall be convertible into equal number of equity shares of Rs. 10 (Rupees Ten Only) each, unless otherwise determined by the Committee, to the present and/or future permanent employees of the Company, whether working in India or outside India, and/or such other persons, as may be decided by the Board and/or permitted under applicable rules, regulations, guidelines and laws (hereinafter referred to as "Eligible Employees"), under the Scheme, in such manner, including the price of options, as the Board/ Compensation Committee may decide, in accordance with the provisions of the law, as may be prevailing at the relevant time."

"RESOLVED FURTHER THAT the Scheme shall be implemented through direct route, for extending the benefits to the eligible employees, by the way of fresh allotment and will

follow cash mechanism."

"RESOLVED FURTHER THAT the equity shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing Equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action such as rights issues, bonus issues, changes in capital structure, merger and sale of division/ undertaking or any other re-organisation, if any, additional equity shares to be issued by the Company for the purpose of making a fair and reasonable adjustment under the Scheme to the employee stock options granted earlier, and the ceiling of 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Options shall be deemed to be increased to the extent of such additional equity shares issued and as may be determined by the Board, without affecting any other right or obligation of the said grantees."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either subdivided or consolidated, the number of equity shares to be transferred on the exercise of options granted and/or the price of acquisition per equity share payable by the employees under the Scheme shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10 (Rupees Ten) per equity share bears to the revised face value of the equity shares of the Company, after such sub-division or consolidation, without affecting any other right or obligation of the employees."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEBASE) Regulations, 2021, and other applicable laws and regulations, to the extent relevant and applicable in connection with the implementation of the Plan."

“RESOLVED FURTHER THAT subject to compliance with applicable laws, the Board of Directors including the Compensation Committee, is authorized to modify, change, vary, alter, amend, suspend or terminate the Plan, in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021), as amended from time to time or any new regulation, as may be applicable to the Company in this regard and also to settle any issue, question, difficulty or doubt that may arise in this regard, without being required to seek any further consent or approval of the members of the Company, and to execute all such deeds, documents and writings, and to give such directions and/or instructions, as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan.”

“RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the Plan, and generally for giving effect to these resolutions, any Director, Company Secretary and Chief Financial Officer of the Company, are jointly and/or severally authorized on behalf of the Company to do all such acts, deeds, matters and things, as one may in one's absolute discretion deem fit, necessary or desirable for such purpose, including but not limited to filing of necessary forms with appropriate authorities, admission of equity shares allotted under the scheme with the depositories, listing of shares with the stock exchanges, and may delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executive/officer of the Company to do all such acts, deeds, matters and things, as also to execute such documents, as may be necessary in this regard.”

4. To approve grant of Options under the “Banka BioLoo Limited Employees Stock Option Plan - 2023” (“Plan” or “ESOP 2023” or “Scheme”) to the eligible employees of the Subsidiary Companies of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the approval of the members of the Company is hereby accorded to the Board of Directors of the Company [hereinafter referred to as the “Board”, which term shall be deemed to include the Nomination and Remuneration Committee, designated as the Compensation Committee pursuant to Regulation 5 of SEBI (SBEBASE) Regulations, 2021 to exercise its powers, including the powers conferred under this resolution (hereinafter referred as “Compensation Committee”)], to extend the benefits of the “Banka BioLoo Limited Employee Stock Option Plan - 2023” (“Plan” or “ESOP 2023” or “Scheme”) to create, issue, offer, grant, allot and/or transfer from time to time, such number of Employee Stock Options (“Options”) to the present and/or future eligible employees of any of the existing or future subsidiary company(ies) of the Company, whether working in India or outside India, (hereinafter referred to as “Subsidiary Employees”), and/or such other persons as may be decided by the Board and/or permitted under applicable rules, regulations, guidelines and laws, under the Scheme, within the overall ceiling of 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Employee Stock Options (“Options”), exercisable into 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Equity shares of face value Rs.10 (Rupee Ten) each prescribed under the scheme titled “Banka BioLoo Limited Employee Stock Option Plan - 2023” (“Plan” or “ESOP 2023” or “Scheme”) on such terms & conditions and in such manner including the price of

options, as the Board/ Compensation Committee may decide in accordance with the provisions of the law as may be prevailing at the relevant time."

"RESOLVED FURTHER THAT the Scheme shall be implemented through direct route, for extending the benefits to the eligible employees by the way of fresh allotment and will follow cash mechanism."

"RESOLVED FURTHER THAT the equity shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action such, as rights issues, bonus issues, changes in capital structure, merger and sale of division/ undertaking or any other re-organisation, if any, additional equity shares to be issued by the Company for the purpose of making a fair and reasonable adjustments under the Scheme to the employee stock options granted earlier and the ceiling of 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Options shall be deemed to be increased to the extent of such additional equity shares issued and as may be determined by the Board, without affecting any other rights or obligations of the said grantees."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either subdivided or consolidated, the number of equity shares to be transferred on the exercise of options granted and/or the price of acquisition per equity share payable by the employees under the Scheme shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs. 10 (Rupees Ten) per equity share bears to the revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the employees."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies

prescribed under Regulation 15 of the SEBI (SBEBASE) Regulations, 2021 and any other applicable laws and regulations to the extent relevant and applicable in connection with the implementation of the Plan."

"RESOLVED FURTHER THAT subject to compliance with applicable laws, the Board of Directors including the Compensation Committee is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021), as amended from time to time or any new regulations, as may be applicable to the Company in this regard and also to settle any issue, question, difficulty or doubt that may arise in this regard, without being required to seek any further consent or approval of the members of the Company, and to execute all such deeds, documents and writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan."

"RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the Plan, and generally for giving effect to these resolutions, any Director, Company Secretary and Chief Financial Officer of the Company, is jointly and/or severally authorized on behalf of the Company to do all such acts, deeds, matters and things, as one may in one's absolute discretion deem fit, necessary or desirable for such purpose, including but not limited to filing of necessary forms with appropriate authorities, admission of equity shares allotted under the scheme with the depositories, listing of shares with the stock exchanges, and may delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executive/officer of the Company to do all such acts, deeds, matters and things, as also to execute such documents, as may be necessary in this regard."

5. To approve grant of Employee Stock Options equivalent to or exceeding 1% of the Issued Share Capital of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read with rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, pursuant to Regulation 6 (3) (d) and all other applicable provisions, if any, of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued, or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, the approval of the members of the Company is accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee, designated as the Compensation Committee, pursuant to Regulation 5 of SEBI (SBEBASE) Regulations, 2021), to exercise its powers, including the powers conferred under this resolution to create, issue, offer, grant, allot and/or transfer employee stock options, in one or more tranches, equal to or exceeding 1% (One Percent) of the issued capital of the Company, at the time of grant of option, to the identified eligible employees of the Company and Subsidiary Companies during any one year, which shall be convertible into equivalent number of Equity shares of Rs. 10 (Rupees Ten Only) each, under "Banka BioLoo Limited Employee Stock Option Plan - 2023" ("Plan" or "ESOP 2023" or "Scheme"), on such terms and conditions, as may be decided by the Board/ Compensation Committee."

"RESOLVED FURTHER THAT subject to compliance with applicable laws, the Compensation Committee is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan in compliance with the Securities and Exchange Board of

India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 (SEBI (SBEBASE) Regulations, 2021),, as amended from time to time or any new regulations as may be applicable to the Company in this regard and also to settle any issue, question, difficulty or doubt that may arise in this regard without being required to seek any further consent or approval of the members of the Company, and to execute all such deeds, documents and writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan."

"RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the Plan, and generally for giving effect to these resolutions, any Director, Company Secretary and Chief Financial Officer of the Company, are jointly and/or severally authorized on behalf of the Company to do all such acts, deeds, matters and things, as one may in one's absolute discretion deem fit, necessary or desirable for such purpose, including but not limited to filing of necessary forms with appropriate authorities, admission of equity shares allotted under the scheme with the depositories, listing of shares with the stock exchanges, and may delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executive/officer of the Company to do all such acts, deeds, matters and things, as also to execute such documents, as may be necessary in this regard."

For and on behalf of the board
Banka BioLoo Limited

Sd/-

Namita Banka
Managing Director
DIN: 5017358

Date: 25 August 2023, Hyderabad

Notes

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special businesses to be transacted at the 11th Annual General Meeting, is annexed hereto as Annexure I.

2. The Ministry of Corporate Affairs (MCA) has, vide General Circular No. 10/2022 dated 28 December 2022, General Circular No. 2/2022 dated 5 May 2022, read along with General Circular No. 21/2021 dated 14 December 2021, General Circular No. 19/2021 dated 8 December 2021, General Circular No. 02/2021 dated 13 January 2021, General Circular No. 20/2020 dated 5 May 2020, General Circular No. 17/2020 dated 13 April 2020, and General Circular No. 14/2020 dated 8 April 2020 (collectively referred to as "MCA Circulars"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), subject to the compliance of various conditions mentioned therein. In compliance with the MCA Circulars, and applicable provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 11th AGM of the Company is being convened and conducted through VC/OAVM.

3. The Company has enabled the members to participate in the 11th AGM without physical presence, through the VC/OAVM facility provided by Bigshare Services Pvt. Ltd. (Bigshare). The instructions for participation by members are given in the subsequent paragraphs.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and the MCA Circulars, the Company has provided the facility to the members to exercise their right to vote by electronic means through remote e-Voting and voting at AGM. The facility of casting votes by a member using remote e-Voting system as

well as voting during the AGM will be provided by Bigshare. The process of remote e-Voting with necessary user ID and password is given in the subsequent paragraphs. Such remote e-Voting facility is in addition to the voting facility to be provided at/ during the 11th AGM being held through VC/OAVM.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 15 January 2021 and 12 May 2020, Notice of the AGM, along with the Annual Report is being sent only through electronic mode to those members whose email IDs are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.bankabio.com, website of National Stock Exchange of India Limited at www.nseindia.com respectively, and on the website of Bigshare, <https://ivote.bigshareonline.com/> landing.

6. To promote green initiative, members who have not registered their email IDs are requested to register/update the same with their depository participants (DPs).

7. The Company has fixed 18 September 2023 as the cut-off date ("the Cut-off Date") to determine the eligibility of members to cast their vote by remote e-Voting, and voting during the 11th AGM, scheduled to be held on 25 September 2023 through VC/OAVM.

8. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners, maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting during the AGM.

9. The Register of Members and Share Transfer Books of the Company will remain closed from 19 September 2023 to 24 September 2023 (both days inclusive)

for the purpose of giving effect to the transmission and transposition requests lodged with the Company.

10. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice, and holds shares as of the cut-off date i.e., 18 September 2023 may obtain the login ID and password by sending an email to ivote@bigshareonline.com or cs@bankabio.com with one's DP ID and Client ID.

11. As per the provisions of the MCA Circulars, members attending the 11th AGM through VC shall be counted for the purpose of reckoning the quorum within Section 103 of the Companies Act, 2013.

12. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 18 September 2023.

13. The Company has appointed Mr. M Ramana Reddy, P. S. Rao & Associates, Practicing Company Secretary, (CP No. 18415) to act as the Scrutinizer, to scrutinize the e-Voting process and voting at the AGM in a fair and transparent manner, and he has communicated his willingness to be appointed and availability for the same.

14. In terms of Section 152 of the Act, Ms. Namita Sanjay Banka, retires by rotation at this Meeting, and being eligible, offers herself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Details of the Directors seeking appointment/re-appointment, as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, are provided as Annexure II to this Notice.

15. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in electronic form may

obtain nomination forms from their respective depository participants (DPs). Members are requested to submit the said details to their DPs.

16. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on one's behalf. Since the 11th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 11th AGM, and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

17. In case of joint holder(s) attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

18. In case of any query regarding the Annual Report, the members may write to cs@bankabio.com to receive an email response. The same will be replied by the Company, suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.

19. Members who wish to claim dividends, which remain unclaimed, are requested to either correspond with the Corporate Secretarial Department at the Company's corporate office or the Company's Registrar and Share Transfer Agent - Bigshare Services Private Limited for revalidation and encashment before the due dates. The details of such unclaimed dividends are available on the Company's website www.bankabio.com. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares, in respect of, which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of 30 days of such shares becoming due to be transferred to the IEPF.

20. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of contracts or arrangements in, which the Directors are interested, maintained under the Companies Act, 2013.

21. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member, as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned depository participant, and holdings should be verified from time to time.

22. Since the AGM will be held through VC/OAVM, the route map to the venue is not annexed to this Notice.

23. The AGM shall be deemed to be held at the corporate office of the Company at 5th Floor, Prestige Phoenix, 1405, Uma Nagar, Begumpet, Hyderabad – 500016.

24. Instructions for e-Voting and joining the AGM are as follows. Members can send their requests, if any, in this regard to cs@bankabio.com and ivote@bigshareonline.com

25. The Instructions to the shareholders for remote e-Voting are as under:

a) The voting period begins on 22 September 2023 at 09.00 AM and ends on 24 September 2023 at 05.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the E-Voting cut-off date (record date) of 18 September 2023 may cast their vote electronically. The e-Voting module shall be disabled by Bigshare for voting thereafter.

b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

d) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

I. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of Shareholder | Login method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cDSLindia.com/myeasi/home/login or visit www.cDSLindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cDSLindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cDSLindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</p> |

Individual Shareholders holding securities in demat mode with NSDL

- 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “Register Online for IDeAS “Portal or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

| | |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

II. For shareholder other than individual Shareholders holding shares in Demat mode & physical mode is given below:

- a) You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- b) Click on "LOGIN" button under the 'INVESTOR LOGIN' section to Login on E-Voting Platform.
- c) Please enter you 'USER ID' (User ID description is given below) and 'PASSWORD' which is shared separately on you register email id.
 - Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user ID.
 - Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
 - Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.

Note If you have not received any user ID or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- d) Click on I AM NOT A ROBOT (CAPTCHA) option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- e) If you have forgotten the password: Click on 'LOGIN' under 'INVESTOR LOGIN' tab and then Click on 'Forgot your password?'
- f) Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'Reset'.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-Voting portal:

- a) After successful login, Bigshare E-Voting system page will appear.
- b) Click on "VIEW EVENT DETAILS (CURRENT)" under 'EVENTS' option on investor portal.
- c) Select event for which you are desire to vote under the dropdown option.
- d) Click on "VOTE NOW" option which is appearing on the right hand side top corner of the page.
- e) Cast your vote by selecting an appropriate option "IN FAVOUR", "NOT IN FAVOUR" or "ABSTAIN" and click on "SUBMIT VOTE". A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
- f) Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- g) Shareholder can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on investor portal.

III. Custodian registration process for i-Vote E-Voting Website:

- a) You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- b) Click on "REGISTER" under "CUSTODIAN LOGIN", to register yourself on Bigshare i-Vote e-Voting Platform.
- c) Enter all required details and submit.
- d) After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- e) If you have forgotten the password: Click on 'LOGIN' under 'CUSTODIAN LOGIN' tab and further Click on 'Forgot your password?'
- f) Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'RESET'.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address)

Voting method for Custodian on i-Vote E-Voting portal:

- g) After successful login, Bigshare E-Voting system page will appear.

Investor Mapping:

- a) First you need to map the investor with your user ID under "DOCUMENTS" option on custodian portal.
- b) Click on "DOCUMENT TYPE" dropdown option and select document type power of attorney (POA).
- c) Click on upload document "CHOOSE FILE" and upload power of attorney (POA) or board resolution for respective investor and click on "UPLOAD"

Note: The power of attorney (POA) or board resolution has to be named as the "InvestorID.pdf" (Mention Demat account number as Investor ID.)

- d) Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- a) To cast your vote select "VOTE FILE UPLOAD" option from left hand side menu on custodian portal.
- b) Select the Event under dropdown option.
- c) Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "UPLOAD". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- d) Custodian can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on custodian portal.

| Login type | Helpdesk details |
|--|--|
| Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode. | In case shareholders/ investor have any queries regarding E-Voting, you may refer the Frequently Asked Questions ('FAQs') & i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22. |

IV. Procedure for joining the AGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- a) The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-Voting credentials (i.e., User ID and Password).
- b) After successful login, Bigshare E-Voting system page will appear.
- c) Click on "VIEW EVENT DETAILS (CURRENT)" under 'EVENTS' option on investor portal.
- d) Select event for which you are desire to attend the AGM under the dropdown option.
- e) For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of "VIDEO CONFERENCE LINK" option.
- f) Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-Voting on the day of the AGM are as under:-

- a) The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- b) Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the

Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

33. Scrutinizer's Report

- a) The Scrutinizer shall, immediately after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM, and thereafter unlock the votes cast through remote e-Voting, and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall, then, be sent to the Chairman or a person authorized by him, within 48 (forty-eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting, forthwith
- b) The results, declared along with the report of the Scrutinizer, shall be placed on the website of the Company www.bankabio.com and on the website of Bigshare at <https://ivote.bigshareonline.com> immediately after the declaration of results by the Chairman, or a person authorized by him. The results shall, also, be immediately forwarded to the National Stock Exchange of India Limited.

CONTACT DETAILS

| | |
|------------------------------|--|
| Company | Banka BioLoo Limited |
| Phone: | 86888 25013 |
| Email: | cs@bankabio.com |
| Registrar and Transfer Agent | Bigshare Services Private Limited |
| Phone: | 040 - 23374967 |
| Virtual / e-Voting Agency | Bigshare Services Private Limited |
| Email: | ivote@bigshareonline.com |
| Scrutinizer | Mr. M Ramana Reddy |
| Secretary | P. S. Rao & Associates, Practicing |
| Phone: | 9059779006 |
| Email: | psrmrr2020@gmail.com |

Annexures to Notice

Annexure I

Explanatory Statement in pursuance of Section 102(1) of the Companies Act, 2013

Item No. 3, 4 and 5

The Company believes that to attract skilled employees and to improve performance of the existing employees, it is essential to motivate them as it brings-in higher productivity, and energy to achieve the organisational goals. In today's competitive world, equity-based compensation is considered to be an integral part of employee compensation across sectors, which enables alignment of personal goals of the employees with organisational objectives, by participating in the ownership of the Company, through share-based compensation scheme/plan.

With a view to achieve the aforesaid objectives, to create an employee co-ownership and to encourage them in aligning their individual goals with that of the Company, the Board of Directors of the Company [hereinafter referred to as the "Board", which term shall include the Nomination and Remuneration cum compensation Committee ("NRC") constituted by the Board or any other Committee, which the Board may constitute / designate to act as the Compensation Committee ("Committee")], under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEBS) Regulations, 2021"], SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") has, pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, as amended from time to time, and in accordance with such other circulars, rules, regulations and guidelines issued or that may be issued by SEBI and/or other appropriate authorities, from time to time, and further subject to such other approvals, permissions and sanctions as may be necessary, proposes the "Banka BioLoo Limited - Employees Stock Option Plan, 2023", which has been approved by the Board of Directors

of the Company at its meeting held on 25 August 2023, based on the recommendation of Nomination and Remuneration Committee designated as the Compensation Committee (Committee).

In this context, the Scheme contemplates that the exercise price shall be determined on the date of the grant as may be decided by the Compensation Committee at its discretion from time to time. However, the exercise price shall not be less than the face value of the shares.

In terms of Regulation 6(1) of SEBI (SBEBS) Regulations, 2021 and Section 62 and other applicable provisions of the Companies Act, 2013, issue of shares under an Employee Stock Options Scheme requires an approval of the Members by way of Special Resolution.

Accordingly, the Special Resolution set out at Item No. 3, 4 and 5 are being proposed for your approval.

The salient features and other details of the Plan as required pursuant to Regulation 6(2) of SEBI (SBEBS) Regulations, 2021 are as under:

A. Brief description of the Scheme:

The Scheme shall be referred to as "Banka BioLoo Limited Employee Stock Option Plan - 2023" ("Plan" or "ESOP 2023" or "Scheme").

The Company proposes to introduce the Plan with a view to attract, retain, incentivize and motivate employees and directors of the Company. The Plan contemplates grant of employee stock options ("Options") to the eligible employees as may be determined in due compliance of SEBI (SBEBS) Regulations, 2021.

The Compensation Committee shall implement and administer the Plan. All questions of interpretation of the Plan shall be determined by the Compensation Committee, and such determination shall be final and binding upon all the persons having an interest in the Plan.

The Company shall issue equity shares upon exercise subject to payment of exercise price and satisfaction of consequential tax obligations.

B. Total number of Options to be offered and granted under the Scheme:

The maximum number of Options to be offered and granted under the Scheme shall be 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Employee Stock Options ("Options"), exercisable into 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) Equity shares of face value Rs.10 (Rupee Ten) each.

In case of any corporate action such as rights issues, bonus issues, split of shares and consolidation of shares, merger & amalgamation/reconstitution/amalgamation/sell of divisions or otherwise, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Compensation Committee shall adjust the number and exercise price of the Options granted, in such a manner that the total value of the Options granted under 5,42,329 (Five Lakh Forty-Two Thousand Three Hundred and Twenty-Nine) remain the same after any such corporate action.

Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling shall be deemed to be increased to the extent of such additional Options issued.

Options not vested due to non-fulfilment of the vesting conditions, vested Options, which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested), which have been surrendered and any Options granted but not vested or exercised within the stipulated time due to any reasons, shall be added back to the pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.

C. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme:

The Compensation Committee, will from time to time identify employees eligible for the purpose of the Scheme, after taking into consideration such factors, including but not limited to performance appraisal, seniority, period of service, role, the present and potential contribution to the growth of the Company. Employee under the scheme

Includes,

- a) an employee as designated by the company, who is exclusively working in India or outside India;
- b) a director of the company, whether a whole-time director or not, including a non-executive director, who is not a promoter or member of the promoter group;
- c) an employee as defined in sub-clauses (a) or (b) of a Subsidiary company, in India or out of India of the Company.

Excludes,

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed shares of the Company;
- c) Independent Director.

D. Requirements of vesting and period of vesting:

The Committee, at its discretion, can lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted can vest, and which may be specified in the

respective grant letters or the vesting letters to be issued in this regard. The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the Options granted would vest, will be subject to the vesting period, as determined for each grant of options by the Committee, which shall be mentioned in the vesting letters.

Period of vesting for Options: The Options would vest not earlier than one year but not later than maximum of five years from the date of Grant, as may be determined by the Compensation Committee, or such time period as may be prescribed under the applicable law including but not limited to SEBI (SBEBSSE) Regulations, 2021,

E. Maximum period within which the options benefits shall be vested:

The Committee shall inform the vesting schedule and terms and conditions thereof to the respective grantees through grant letter. Subject to applicable law, the Committee shall have the power to determine the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period; and has the power to modify or accelerate the vesting schedule.

Maximum period within which the options benefits shall be vested will not be later than 5 (Five) years from the date of grant, as per the scheme or as decided by the Compensation Committee, for each such eligible employee.

F. Exercise price or pricing formula:

Subject to SEBI (SBEBSSE) Regulations, 2021, the exercise price of the Options granted under the Scheme, will be decided by the Committee, as it may deem appropriate, in conformity with the SEBI (SBEBSSE) Regulations, 2021 and applicable accounting policies, provided that the exercise price shall not be less than the face value of the shares and not higher than the prevailing market price (on Stock Exchange with highest volume) of the shares of the Company. The exercise Price will be intimated to the option holder through the grant letter.

The Committee can vary the discount rates from Grantee to Grantee as per its discretion. Market price in this context refers to the meaning assigned to it under the SEBI (SBEBSSE) Regulations, 2021.

No amount shall be payable at the time of Grant of Options. The exercise price shall be subject to any fair and reasonable adjustments that may be made on account of Corporate Actions of the Company in order to comply with the SEBI (SBEBA SE) Regulations, 2021 and other SEBI Regulations.

G. Exercise period and process of exercise:

The exercise period and the process of the exercise will be intimated by the Committee, to the option holder through the Grant Letter or such other letter, from time to time. If the Options are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the option holder towards such lapsed awards.

The eligible employee can exercise the vested Options within the stipulated exercise period by submitting a written application to the Company, with the payment acknowledgment with respect to the payable exercise price, in such manner and on execution of such other documents, as may be prescribed and intimated by the Committee, from time to time.

H. The appraisal process for determining the eligibility of employees for the scheme:

The Compensation Committee, will from time to time, identify employees eligible for the purpose of the Scheme, after taking into consideration such factors, including but not

limited to performance appraisal, seniority, period of service, role, the present and potential contribution to the growth of the Company and such other criteria that may be determined.

The Company shall directly implement and administer the Banka BioLoo Limited Employee Stock Option Plan – 2023, through the Board/Compensation Committee.

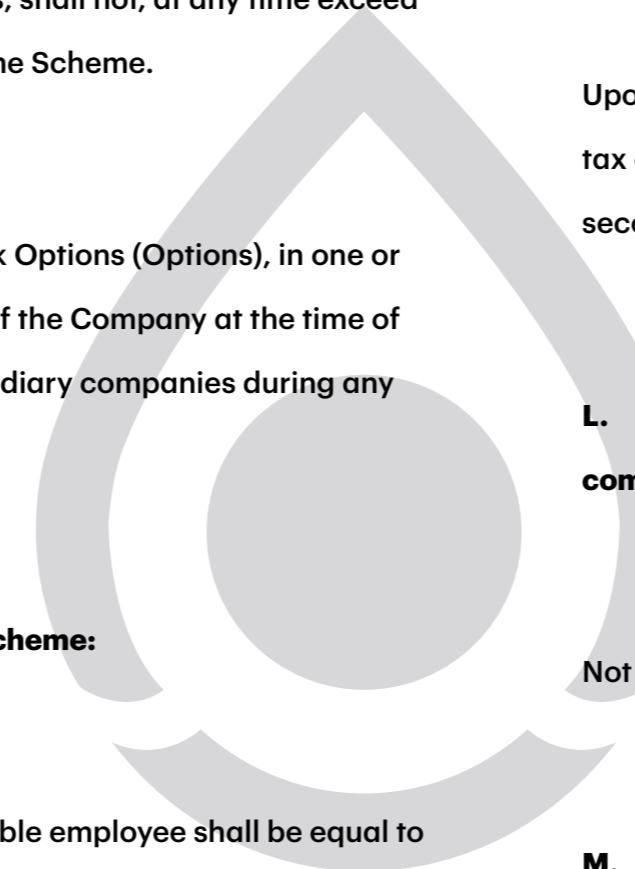
i. Maximum number of options to be offered and issued per employee and in aggregate, if any:

The maximum number of Options to be granted to any eligible employee shall be decided by the Board or the Committee, from time to time. However, the grant of options to employees, shall not, at any time exceed the Total Option Pool Size approved by the members of the Company under the Scheme.

Further, the company seeks approval of the Members to issue Employee Stock Options (Options), in one or more tranches, equal to or exceeding 1% (one per cent) of the issued capital of the Company at the time of grant of option, to the identified eligible employees of the company and subsidiary companies during any one year.

I. Maximum quantum of benefits to be provided per employee under a scheme:

The maximum quantum of benefits underlying the Options granted to an eligible employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options, on the basis of difference between the Stock Option exercise price and the market price of the Equity shares on the exercise date.



K. Whether the scheme involves new issue of shares by the company or secondary acquisition by the trust or both:

Upon exercise subject to payment of exercise price and satisfaction of consequential tax obligations, the Company shall issue new equity shares to the Grantee. No secondary acquisition by the company or trust is involved

L. The amount of loan to be provided for implementation of the scheme by the company to the trust, its tenure, utilization, repayment terms, etc.:

Not Applicable.

M. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:

Not Applicable.

J. Whether the scheme is to be implemented and administered directly by the company or through a trust:

N. Statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

The Company shall comply with the applicable accounting policies as prescribed under Regulation 15 of SEBI (SBEB & SE) Regulations, 2021 and other applicable laws.

O. the method which the company shall use to value its options:

The Company shall use the fair value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for valuation of the Options granted, to calculate the employee compensation cost.

P. Method which the Company shall use to value its Options:

As the Company is adopting fair value method, presently there is no requirement for disclosure in board's report. However, if in future, the company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report'

Q. Period of lock-in:

The shares issued upon exercise of the Options shall be freely transferable and shall not be subject to any lock in period restriction after such allotment and credit to the respective demat account unless otherwise decided by the Committee; however the same shall be subject to such restrictions as may be prescribed under applicable laws including the Company's Code of Conduct for prevention of Insider Trading, to regulate ,monitor and report trading by insiders, under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

R. Terms & conditions for buyback, if any, of specified securities covered under these regulations:

The Committee will determine the procedure for buy-back of Options granted under the Plan, if to be undertaken at any time by the Company, and the applicable terms and conditions in accordance with the Applicable Laws.

The options to be granted under ESOP 2023 shall not be treated as an offer or invitation made to the public for subscription of securities of the Company. ESOP 2023 conforms to SEBI (SBEBASE) Regulations, 2021. The draft ESOP 2023 is available for inspection by the members in the manner provided in the Notes to this Notice

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3, 4 and 5 of the Notice.

Based on the recommendation of the Audit Committee, Nomination & Remuneration Committee, the Board recommends the Special Resolution set forth at Item No. 3, 4 and 5 of the Notice, for approval by the Members.

For and on behalf of the board

Banka BioLoo Limited

Sd/-
Namita Banka

Managing Director

DIN: 5017358

Date: 25 August 2023, Hyderabad

Annexure-II

Details of Directors seeking re-appointment at the 11th Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 issued by The Institute of Company Secretaries of India for Item No. 2 of the 11th AGM Notice]

| Name of the Director | Ms. Namita Banka | Pecuniary relationship in the Company | Mrs. Namita Banka does not have any other pecuniary relationship in the Company, except remuneration proposed paid/ to be paid to her. |
|--|--|--|--|
| DIN | 05017358 | Shareholding in the Company as on 31 March 2023 | 32.23% |
| Date of Birth | 10/03/1973 | Directorship held in other Companies | Name of the Company Designation Megaliter Varunaa Private Limited Director |
| Date of Appointment on the Board | 31/08/2012 | Directorship/membership/chairmanship of Committees of the board of Banka BioLoo Limited | Managing Director and Chairperson of CSR Committee |
| Nationality | Indian | Names of listed entities in which the person, also, is a director/ member / chairperson of committees of other Boards as on 31 March 2023 | Nil |
| Qualifications | Bachelor of Science (Home Science) from University of Delhi Post-Graduate Diploma in Jewellery Designing, Mfg. & Appraising from Indian Diamond Institute, Surat | Number of meetings attended during the financial year | 5 (Five) |
| Background details/ brief resume/ experience (including expertise in specific functional area) | Mrs. Namita Banka is the promoter and Managing Director of our Company. She has 8 years of experience in the field of diamond Jewellery. In 2008, she began her entrepreneurial venture of sanitation in proprietary concern, later on which was acquired by our Company. She has been the guiding force behind the growth and business strategy of our Company. She has over a decade of sanitation sector experience, and has been instrumental in the consistent growth of our Company's performance. | Comparative remuneration profile with respect to industry, size of the Company, profile of the position, and person (in case of expatriates the relevant details would be with respect to the country of origin) | Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mrs. Namita Banka, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies. |
| Job profile and suitability to the company | Experience and expertise as stated above | Relationship with other Directors / Key Managerial Personnel/ Managers | Name of the other Director Nature of Relationship Sanjay Banka Spouse Vishal Murarka Brother Except as stated above Mrs. Namita Banka is not related to any other Director. |
| Recognition or awards | Mrs. Namita Banka has been awarded for her entrepreneurial excellence, nationally and globally. | | |
| Terms and conditions of Appointment/ Re-appointment | As maybe mutually decided by the Board and Mrs. Namita Banka | | |
| Remuneration, last drawn (including sitting fees, if any) | Rs. 37,02,300 (Rupees Thirty-Seven Lakh Two Thousand and Three Hundred only) | | |
| Remuneration proposed to be paid | The maximum consolidated remuneration approved at 9 th Annual General Meeting held on 29 September 2021 was up to Rs. 60,00,000 (Rupees Sixty Lakhs only) per annum, inclusive of any remuneration directly or otherwise, or by way of salary and allowances, performance-based rewards/ incentives. | | |

Company Secretary and Compliance Officer
Ms. Archana Arigela

Investor Contact Details

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Contact: +91 86888 25013

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