

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ION EXCHANGE ENVIRO FARMS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Ion Exchange Enviro Farms Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and statement of cash flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act 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 31st March, 2024, and net loss, changes in equity and its cash flows for the year ended on that date.

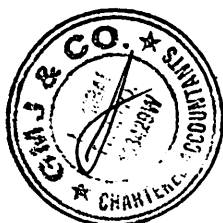
Basis for Opinion

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to following matters in Notes to the financial statements: -

- a) We draw attention to Note 31.1 regarding the appropriateness of the "Going Concern" basis used for the preparation of this accounts even though the net worth of the company has been completely eroded as at 31st March 2024 and the validity of the "going concern" basis would depend upon the continuance of the existing financial support by the holding



company. The accounts do not include adjustment, if any, that may result from discontinuances of the funding by the holding company.

b) We draw attention to Note 31.2: -

(A) The Hon'ble Supreme Court of India has dismissed the company's appeal against the order of securities appellate tribunal for refunding monies to investors with return and for winding up of scheme. Further the companies had submitted relevant details to SEBI and have initiated actions in line with the details submitted to SEBI which in December, 2015 had asked the company to pre deposit amount due to farm owners and close the scheme. The company has submitted that it shall get discharge certificates from balance farm owners within a period of two years from March 2016. As SEBI refused to accede to Company's request, company has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017- Appeal No. (I) 40 of 2017-citing practical difficulties in execution of the SEBI order for refund to all investors as investors have already received their lands/refunds as per the agreement. Appeal has been already admitted by SAT and certain hearings had taken place from time to time. The appeal was heard and vide order dated 18th October, 2019; SAT has dismissed the appeal. The company has filed a Review Petition before the SAT, Mumbai on 3rd December, 2019 for correction of factual errors in the said order. Further, based on the Legal Advice, pending final order from SAT on the Review Petition, an Appeal is filed in the Supreme Court Against order of SAT on 18th February 2020. As per the SAT hearing dated 19th March 2021, it was held that, there is not an error apparent on the face of the record and thus review application filed was dismissed by SAT. As such the appeal is set aside against the company and further vide order No. 2853/2021 dated 6th December 2021, the Supreme Court has granted liberty to the company to approach Securities and Exchange Board of India and request for reconsideration of the matter by producing additional material. The company has filed representation requesting reconsideration of the matter by filing additional documents through its advocates vide letter dated 2nd March, 2022. Further SEBI vide letter dated 17th May, 2022 has made certain observations and has advised the Company to provide for additional comments/documents, which were submitted through their advocate vide letter dated 12th July 2022. Thereafter SEBI has appointed M/S. Skvm & Co as a forensic auditor who is examining the documents and records of the company in order to submit his report to SEBI. The company has submitted the required Documents to SEBI's Auditor. Further during the course of audit queries raised by M/S. Skvm & Co have been addressed by the company's counsel. Based on the Report Submitted by the Auditor to SEBI, SEBI Has Sought Certain Clarifications from the company and the same has been complied therewith. SEBI vide letter dated 16th May 2024 has directed the company to deposit an amount of Rs. 22.02 crores towards repayment of money to the Investors. The company has sought legal opinion in the matter and further steps are being taken as advised.

(B) Administrator's Appointment: SEBI had on 25th April 2019 under SEBI (Appointment of Administrator and Procedure for Refunding of Investors) Regulations 2018 had appointed an Administrator for selling the Land at Goa (Quepem) of the Company and recovering the dues however vide Letter dated 30th April 2019. The Company has requested the Recovery Office of SEBI to keep the proceedings in abeyance. Further, in view of the above developments the proceedings are in Abeyance or on hold as on date.

Our opinion is not modified in respect of these matters.



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

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

Our opinion on the 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 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 Ind AS 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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:

- i. Identify and assess the risks of material misstatement of the 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.
- ii. 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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. A. As required by Section 143(3) of the Act, 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.
 - 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 and proper returns adequate for the purpose of our audit, except for the matters stated in the paragraph 2 B (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.



f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2 B (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.

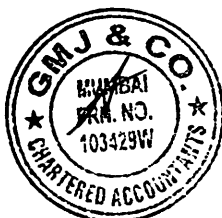
h) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration is not paid by the company to its directors during the year, accordingly the provisions of section 197 of the Act is not applicable.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31.2 to the Ind AS financial statements;
- ii. As the Company did not have any long - term contracts including derivative contracts for which there were no foreseeable losses.
- iii. The company has no amount to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The company has neither declared nor paid any dividend during the year



- vi. Based on our examination which included test checks, except for instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level. Further, where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with.

For GMJ & Company
Chartered Accountants
FRN: 103429W



CA Atul Jain
Partner
Membership No. 037097
UDIN: 24037097BKCXDH3487
Place: Mumbai
Date: 22nd May, 2024



ANNEXURE A TO THE AUDITORS' REPORT**ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF "THE COMPANY" FOR THE YEAR ENDED 31ST MARCH, 2024**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- (i) (a) (A) The Company has maintained records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) According to the information and explanations given to us, the Company does not have any Intangible Asset. Accordingly, paragraph 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company
 - (b) The Company has a regular program of physical verification of its Property, Plant & Equipment by which the Property, Plant & Equipment are verified at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As per the information and explanation given to us by the management, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us, the title deeds of the immovable properties are held in the name of the company & the title deeds of Agricultural Land are held in the name of its Nominee's.
 - (d) According to the information and explanations given to us, the Company has not revalued any Property, Plant & Equipment or any Intangible Asset. Accordingly, paragraph 3(i)(d) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the Company does not have any inventory at the year end. Accordingly, paragraph 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
(b) According to the information and explanations given to us, the Company has not been sanctioned any working capital limits in aggregate from banks or financial institutions at any point of time during the year under audit. Accordingly, paragraph 3(ii)(b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to any firms, companies, Limited Liability Partnerships or other parties and hence provisions of clauses (iii) (a), (b), (c), (d), (e) and (f) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") are not applicable to the Company;



- (iv) The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder; thus reporting under clause 3(v) of the order is not applicable to the Company;
- (vi) The Central Government of India has not prescribed maintenance of cost records under subsection (1) of Section 148 of the Act for any of the activities of the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company;
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund, income tax, goods and service tax, Cess and other material statutory dues with the appropriate authorities. There have been no dues which are outstanding for more than six months from the date they become payable;
 - (b) According to the information and explanation given to us, there are no dues of income tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute;
- (viii) According to the information and explanations given to us, the Company does not have any transactions not recorded in books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961. Accordingly, paragraph 3(viii) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;
- (ix) (a) To the best of our knowledge and belief and according to the information given to us, the Company has not defaulted in repayment of loans or other borrowings or the payment of interest to any lender during the year;
 - (b) The Company has not declared as willful defaulter by any bank or financial institution or by any other lender during the year, Accordingly, paragraph 3(ix)(b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
 - (c) Company has not obtained any term loan during the year. Therefore, paragraph 3(ix)(c) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
 - (d) According to the information and explanation given to us, funds which were raised in previous year on short term basis were not utilized for long term purpose except for funding of cash loss;



- (e) According to information and explanation given to us, Company has not taken any fund from any entity or from any person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence paragraph 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (f) According to information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associates companies and hence paragraph 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the company during the year. Thus the Clause 3(xi)(c) is not applicable for the company.
- (xii) As the Company does not fall into the category of a Nidhi company, clause (xii) of para 3 of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards;
- (xiv) In our opinion and based on our examination, the company is not required to have an internal audit system as per the provisions of the Companies Act 2013. Hence paragraph 3(xiv)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;
- (xv) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;
- (xvi) The company is not required to be registered under Section 45-IA for the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
- (xvii) Company has incurred cash loss amounting to Rs. 52,427.27 (in thousands) during the current financial year and Rs. 52,682.90 (in thousands) in the immediate preceding financial year.



- (xviii) There has been no instance of resignation by the statutory auditor under section 140(2) of the companies act 2013 during the year and accordingly paragraph 3(xviii) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that Company's Net Worth is completely eroded as on 31st March, 2024 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. However, the Company is wholly dependent on its holding company for funding of day to day operations.
- (xx) As represented to us by the management, Provisions of section 135 of the Companies Act 2013 is not applicable to the company and accordingly paragraph 3(xx)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.

For GMJ & Company
Chartered Accountants
FRN: 103429W



CA Atul Jain
Partner
Membership No. 037097
UDIN: 24037097BKCXDH3487
Place: Mumbai
Date: 22nd May, 2024



ANNEXURE B**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Ion Exchange Enviro Farms Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

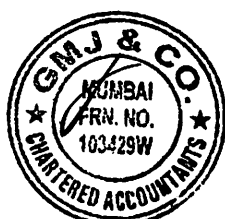
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on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

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



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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

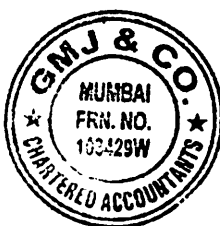
Opinion

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

For GMJ & Company
Chartered Accountants
FRN: 103429W



CA Atul Jain
Partner
Membership No. 037097
UDIN: 24037097BKCXDH3487
Place: Mumbai
Date: 22nd May, 2024



ION EXCHANGE ENVIRO FARMS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2024

(Amount in INR'000)

Particulars	Notes	MARCH 31, 2024	MARCH 31, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	8,896.64	9,458.47
(b) Financial Assets			
(i) Other Financial Assets	6	30,190.00	30,190.00
(b) Other Non-Current Assets	8	56,299.41	62,638.09
		95,386.05	1,02,286.56
Current assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	7	1,384.35	883.79
(b) Other Current Assets	8	2,462.92	436.33
		3,847.27	1,320.12
TOTAL		99,233.32	1,03,606.68
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	6,947.00	6,947.00
(b) Other Equity	10	(5,53,700.47)	(5,00,708.04)
		(5,46,753.47)	(4,93,761.04)
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	4,10,000.00	4,10,000.00
(b) Provisions	15	581.52	529.62
(c) Other Non-Current Liabilities	14	5,075.31	5,075.31
		4,15,656.83	4,15,604.93
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	2,12,233.94	1,63,648.97
(ii) Trade Payables			
Micro, Small and Medium Enterprises		-	-
Others	13	2,772.47	3,380.95
(iii) Other Financial Liabilities	12	9,788.67	9,468.82
(b) Other Current Liabilities	14	4,738.20	4,541.96
(c) Provisions	15	796.68	722.09
		2,30,329.96	1,81,762.78
TOTAL		99,233.32	1,03,606.68
Significant accounting policies and notes forming part of the financial statements		1 to 37	

As per our report of even date

For GMJ & Co

Chartered Accountants

Firm No. 103429W

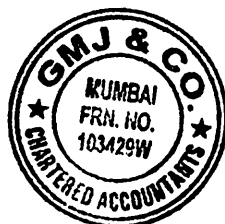
CA Atul Jain

Partner

M. No. 037097

Place : Mumbai

Date : 22nd May, 2024



For and on behalf of the Board of Directors

Rajesh Sharma
Rajesh Sharma
Director
DIN 00515486

P.M. Nawathe
P.M. Nawathe
Director
DIN 06582114

ION EXCHANGE ENVIRO FARMS LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024**

(Amount in INR'000)

Particulars	Notes	MARCH 31, 2024	MARCH 31, 2023
CONTINUING OPERATIONS			
REVENUE			
Revenue from operations (net)	16	7,773.98	6,006.46
Other income	17	12,014.10	9,710.19
Total Income (I)		19,788.08	15,716.64
EXPENSES			
Purchases of stock-in-trade	18	5,150.05	3,765.26
Employee benefits expense	19	1,727.20	1,566.68
Finance costs	20	54,649.70	50,130.20
Depreciation and amortization expense	21	561.83	561.83
Other expenses	22	10,688.40	12,937.41
Total Expenses (II)		72,777.18	68,961.37
Loss before exceptional items and tax (I-II)		(52,989.10)	(53,244.73)
Exceptional Items		-	-
Loss before tax		(52,989.10)	(53,244.73)
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		-	-
Loss for the period/year		(52,989.10)	(53,244.73)
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(3.33)	(39.86)
Other Comprehensive income for the period/year, net of tax		(3.33)	(39.86)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR, NET OF TAX		(52,992.43)	(53,284.59)
Earnings per share attributable to equity shareholders	23		
Basic & Diluted EPS		(76.28)	(76.64)
Significant accounting policies and notes forming part of the financial statements	1 to 37		

As per our report of even date

For GMJ & Co

Chartered Accountants

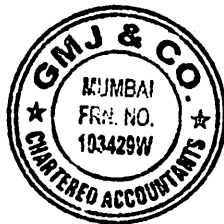
Firm No. 103429W



CA Atul Jain

Partner

M. No. 037097



For and on behalf of the Board of Directors



Rajesh Sharma

Director

DIN 00515486



P.M. Nawathe

Director

DIN 06582114

Place : Mumbai

Date : 22nd May, 2024

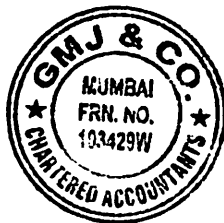
ION EXCHANGE ENVIRO FARMS LIMITED**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST March, 2024**

(Amount in INR'000)

Particulars	Notes	MARCH 31, 2024	MARCH 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss before income tax from:			
Continuing operations		(52,989.10)	(53,244.73)
Discontinued operations		-	-
Loss before income tax including discontinued operations		(52,989.10)	(53,244.73)
Adjustments for:			
Depreciation and amortisation expense		561.83	561.83
Finance costs		54,649.70	50,130.20
Sundry Balances written Back		-	-
Change in operating assets and liabilities:			
Increase/(decrease) in trade payables		(608.48)	1,160.83
(Increase) in other financial assets		-	-
(Increase)/decrease in other non-current assets		6,338.68	6,756.56
(Increase)/decrease in other current assets		(2,026.59)	283.26
Increase/(decrease) in Current provisions		71.26	298.54
Increase/(decrease) in Non current provisions		51.90	(177.80)
Increase/(decrease) in Other Financial Liabilities		319.85	601.88
Increase/(decrease) in other current liabilities		196.24	388.46
Cash generated/(used in) from operations		6,565.30	6,759.01
Less: Income taxes paid		-	-
Net cash inflow from operating activities		6,565.30	6,759.01
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property, plant and equipment		-	-
Net cash outflow from investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		48,584.96	43,371.40
Interest paid		(54,649.70)	(50,130.20)
Loan Borrowed		-	-
Net cash outflow from financing activities		(6,064.74)	(6,758.80)
Net increase (decrease) in cash and cash equivalents		500.56	0.21
Cash and Cash Equivalents at the beginning of the financial year		883.79	883.58
Cash and Cash Equivalents at end of the year		1,384.35	883.79
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents		-	27.37
Bank overdrafts		1,384.35	856.42
Balances as per statement of cash flows		1,384.35	883.79
Significant accounting policies and notes forming part of the financial statements	1 to 37		

As per our report of even date
For GMJ & Co
Chartered Accountants
Firm No. 103429W

Atul Jain
CA Atul Jain
Partner
M. No. 037097



Place : Mumbai
Date : 22nd May, 2024

For and on behalf of the Board of Directors

Rajesh Sharma
Rajesh Sharma
Director
DIN 00515486

P.M. Nawathe
P.M. Nawathe
Director
DIN 06582114

ION EXCHANGE ENVIRO FARMS LIMITED**STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2024****A Equity Share Capital**

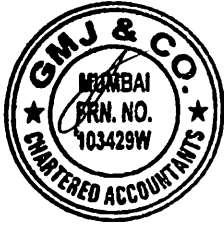
(Amount in INR'000)

Particulars	Balance at the Beginning of the period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2023					
Numbers	694.70	-	-	-	694.70
Amount	6,947.00	-	-	-	6,947.00
March 31, 2024					
Numbers	694.70	-	-	-	694.70
Amount	6,947.00	-	-	-	6,947.00

B Other Equity

(Amount in INR'000)

Particulars	Reserves and Surplus	
	Retained Earnings	Total
As at April 1, 2023	(5,00,708.04)	(5,00,708.04)
Loss for the period	(52,989.10)	(52,989.10)
Other comprehensive income/Expenses	(3.33)	(3.33)
Total comprehensive income for the year	(5,53,700.47)	(5,53,700.47)
As at March 31, 2023	(5,53,700.47)	(5,53,700.47)



ION EXCHANGE ENVIRO FARMS LIMITED

Notes to financial statements for the Period ended 31st March, 2024

1. Material Accounting Policies

Overview of the Company

ION EXCHANGE ENVIRO FARMS LIMITED (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of (1) Developing, cultivating & maintaining large farms at various places in India mainly Maharashtra, Tamilnadu & Goa. (2) Contract farming for supply of Organic Certified produce for local as well as International market (3) Agri Inputs manufacturing& marketing.

2. Basis of preparation

Statement of compliance

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of sections 133 read with sub-section (1) of Section 210A of the Companies Act, 1956 (1 of 1956). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

The standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

a) Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is also the Company's functional currency. All amounts have been rounded off to the nearest thousand ('000) rupees, unless otherwise indicated.

b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention, except for the following:

- Certain financial assets and liabilities that are measured at fair value; and
- Net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

Use of estimates

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the Period ended 30th June, 2023 are as



a) Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Measurement of fair values

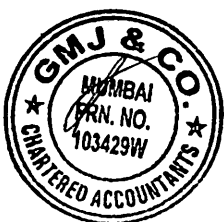
The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized 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)."

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 categorized 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.



3. Summary of significant accounting policies

a) Property, plant and equipment and depreciation

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided on straight line basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management, whichever is lower, as stated below.

Assets	Useful lives
Building - Office buildings	60 years
- Other than Office buildings	30 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Office equipment/ Computers	3 – 5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognized in the Statement of Profit and Loss.

b) Impairment

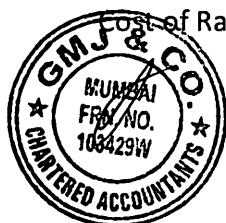
Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at end of its useful life. In assessing value in use, the present value is discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

c) Inventories

"Work-in-progress - Project Development" cost includes direct and other administrative expenses incurred in developing these projects.

Inventories are valued at lower of Cost and Net Realizable Value.

Cost of Raw Material and Packing Material is determined at Weighted Average Cost.



Finished Goods – Contract Farming inventory comprises of trading inventory of the Company. Cost of Inputs comprises of material cost and cost of conversion

d) Project Development Expenses

All expenses, which are directly related to a project, are treated as "Development Expenses". Expenses incurred on incomplete stages of ongoing projects are carried forward in the Balance Sheet as "Work-in-progress - Project Development" under the head Inventories.

e) Financial instruments

Financial assets and financial liabilities are recognized in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

A. Financial assets

(i) Initial recognition and measurement

All financial assets are recognized 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.

The financial assets include debt instruments, equity investments, trade and other receivables, loans, cash and bank balances and derivative financial instruments.

(ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

a) At amortized cost

A financial asset is measured at amortized 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.

b) At fair value through other comprehensive-income (FVTOCI), and

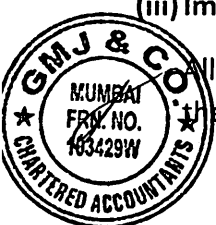
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal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

c) 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.

(iii) Impairment of financial assets

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.



(iv) De-recognition

The company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset

B. Financial liabilities

(i) Initial recognition and measurement

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

The financial liabilities include trade and other payables, loans and borrowings etc.

(ii) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

g) Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund managed by Government Authorities and Superannuation Fund are defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no other obligation other than the contribution payable.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI

(v) Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit method made at the end of each financial year. The company presents the leave liability as non-current in the balance sheet, to the extent it has an unconditional right to defer its settlement for a period beyond 12 months, balance amount is presented as current.

h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.



Sales are accounted for excluding GST. Sale of goods is recognized when the property and all risks and reward of ownership is transferred to the buyer and no significant uncertainty regarding the amount of consideration that is derived from the sale of goods.

Income from Projects is recognized on completion of identifiable stages thereof. Income from sale of inputs, intercropping, contract farming and produce marketing activities are recognized excluding GST, where applicable, when the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in finance income in the statement of profit and loss.

i) Taxation

(i) Provision for current taxation has been made in accordance with the Indian Income tax laws prevailing for the relevant assessment years.

(ii) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is not recognized unless there are timing difference, the reversal of which, will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

k) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

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

l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

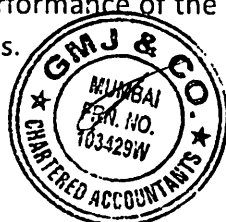
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Segment reporting policies

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Director who makes strategic decisions.

Inter-segment Transfers



The Company accounts for inter-segment sales and transfers at cost plus appropriate margin.

Allocation of common costs

Common allocable costs are allocated to each segment according to the turnover of the respective segments.

Unallocated costs

The unallocated segment includes general corporate income and expense items which are not allocated to any business segment.

Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

The sales of Organic Agriculture goods and Inputs are in India and also, the assets of the Company are situated in India

a) The Company is engaged into two main business segments namely:

Organic Agriculture goods and Organic Inputs

b) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each segment and amounts allocated on a reasonable basis.

o) Cash and cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

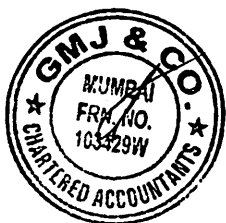
p) Leases:

Where the company is the lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets given on operating leases by the company are included in fixed assets. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset till such time that it is required to complete and prepare the assets to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31ST 2024****5. PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR'000)

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Computer Hardwares	Total
GROSS CARRYING VALUE						
As at April 1, 2023	9,653.41	3,341.47	366.87	28.07	105.35	13,495.16
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2024	9,653.41	3,341.47	366.87	28.07	105.35	13,495.16
ACCUMULATED DEPRECIATION/IMPAIRMENT						
As at April 1, 2023	1,847.59	1,987.38	130.37	-	71.35	4,036.69
Depreciation for the period	263.94	283.95	-	-	13.94	561.83
As at March 31, 2024	2,111.54	2,271.33	130.37	-	85.28	4,598.52
As at March 31, 2024	2,111.54	2,271.33	130.37	-	85.28	4,598.52
Net Carrying value as at March 31, 2024	7,541.87	1,070.14	236.50	28.07	20.06	8,896.64
Net Carrying value as at March 31, 2023	7,805.82	1,354.09	236.50	28.07	34.00	9,458.47



ION EXCHANGE ENVIRO FARMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024

(Amount in INR'000)

6. FINANCIAL ASSETS

Particulars	MARCH 31, 2024	MARCH 31, 2023
(A) INVESTMENTS		
OTHER FINANCIAL ASSETS		
Non Current		
(i) Financial assets carried at amortised cost		
Security Deposits	30,190.00	30,190.00
Total	30,190.00	30,190.00



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

7. CASH AND CASH EQUIVALENTS

Particulars	MARCH 31, 2024	MARCH 31, 2023
Balances with banks:		
- On current accounts	1,384.35	856.42
Cash on hand	-	27.37
Total	1,384.35	883.79

8. OTHER ASSETS

Particulars	MARCH 31, 2024	MARCH 31, 2023
Non Current		
Advances other than Capital advances		
Security Deposits for Land	23,762.89	23,762.89
Less: Provision for Security Deposit for land	-	-
	23,762.89	23,762.89
Advances for Re-purchase	32,391.39	32,391.39
Maintenance Expense Recoverable	-	6,445.67
Less: Provision for Maintenance Expense Recoverable	-	-
	-	6,445.67
Advances recoverable in cash or kind	1,576.68	1,469.69
Less: Provision for Advances recoverable in cash or kind	(1,431.56)	(1,431.56)
	145.13	38.13
Total	56,299.41	62,638.09
Current		
Others		
- Balances with Statutory, Government Authorities	474.02	436.33
- Other current assets (Rent Receivable)	1,988.90	-
Total	2,462.92	436.33



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024****9. SHARE CAPITAL****i. Authorised Share Capital****(Amount in INR'000)**

	Equity Share	
	Number	Amount
At April 1, 2023	2,000.00	20,000.00
Increase/(decrease) during the period	-	-
At March 31, 2024	2,000.00	20,000.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

ii. Issued Capital**(Amount in INR'000)**

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2023	694.70	6,947.00
Issued during the period		
At March 31, 2024	694.70	6,947.00

iii. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company are as below:

(Amount in INR'000)

	MARCH. 31 ,2024	MARCH. 31 ,2023
Ion Exchange (India) Limited Holding Company Equity shares	547.00	547.00

iv. Details of shareholders holding more than 5% shares in the company**(Amount in INR'000)**

Name of the shareholder	As at March, 31, 2024		As at March 31, 2023	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid Ion Exchange (India) Limited Holding Company	547.00	78.74%	547.00	78.74%

Details of shares held by Promoters**(Number In INR'000)**

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
Ms. Uma Ranganathan	18.10	2.61	18.10	2.61
Mr. Rajesh Sharma	5.00	0.72	5.00	0.72
Mr. Mahabir Prasad Patni	20.00	2.88	20.00	2.88
M/s. Ion Exchange (India) Ltd.	547.00	78.74	547.00	78.74
Mr. Jose Peter	18.10	2.61	18.10	2.61
Mr. Murlidhar D Dharmadhikari	5.10	0.73	5.10	0.73
M/s. Watercare Investments (I) Ltd.	3.00	0.43	3.00	0.43
M/s. Aqua Investments (I) Ltd.	3.00	0.43	3.00	0.43

* There is no change in the Share held by Promotor during the year.



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

12. OTHER FINANCIAL LIABILITIES

Particulars	MARCH 31, 2024	MARCH 31, 2023
Current		
Financial Liabilities at amortised cost		
Interest Free Deposits	9,788.67	9,468.87
Total	9,788.67	9,468.87

13. TRADE PAYABLES

Particulars	MARCH 31, 2024	MARCH 31, 2023
Current		
Trade Payables to Others	2,772.47	3,380.95
Total	2,772.47	3,380.95

Trade Payables ageing schedule: As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	135.00	724.05	-	1,913.42	2,772.47
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,317.50	56.45	-	2,007.00	3,380.95
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

14. OTHER LIABILITIES

Particulars	MARCH 31, 2024	MARCH 31, 2023
Non Current		
Advance from Customer (Projects)	5,075.31	5,075.31
Total	5,075.31	5,075.31
Current		
Advance received from Customers	875.00	885.00
Statutory Liabilities	161.25	2,851.40
Others	3,701.95	805.55
Total	4,738.20	4,541.96

15. PROVISIONS

Particulars	MARCH 31, 2024	MARCH 31, 2023
Non Current		
Provision for employee benefits		
Gratuity	405.56	363.29
Leave encashment	175.96	166.33
Total	581.52	529.62
Current		
Provision for employee benefits		
Gratuity	571.03	513.00
Leave encashment	225.66	209.09
Total	796.68	722.09



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31ST 2024**

(Amount in INR'000)

16. REVENUE FROM OPERATIONS

Particulars	MARCH 31, 2024	MARCH 31, 2023
Sale of products		
Traded goods- Sale of Organo world	7,773.98	6,006.46
Total	7,773.98	6,006.46

17. OTHER INCOME

Particulars	MARCH 31, 2024	MARCH 31, 2023
Interest income on Others	-	28.79
Other Non Operating Income		
Rent received	10,714.33	9,638.46
Miscellaneous Income	1,299.77	47.94
Total	12,014.10	9,710.19

18. PURCHASES OF STOCK-IN-TRADE

Particulars	MARCH 31, 2024	MARCH 31, 2023
Dry fruits & Packing Material	5,150.05	3,765.26
Total	5,150.05	3,765.26

19. EMPLOYEE BENEFITS EXPENSE

Particulars	MARCH 31, 2024	MARCH 31, 2023
Salaries, wages and bonus	1,463.07	1,308.70
Contribution to provident and other funds	86.70	85.13
Staff welfare expenses	80.47	97.96
Gratuity Expense	96.96	79.89
Total	1,727.20	1,566.68

20. FINANCE COST

Particulars	MARCH 31, 2024	MARCH 31, 2023
Interest expense on debts and borrowings	54,649.70	50,130.20
Total	54,649.70	50,130.20

21. DEPRECIATION AND AMORTISATION EXPENSE

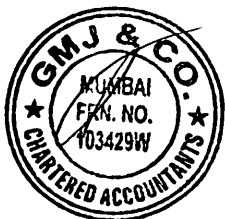
Particulars	MARCH 31, 2024	MARCH 31, 2023
Depreciation on tangible assets	561.83	561.83
Total	561.83	561.83

22. OTHER EXPENSES

Particulars	MARCH 31, 2024	MARCH 31, 2023
Clearing, Forwarding, Labour and Packing Charges	173.74	120.64
Payments to auditors (Refer note below)	172.50	160.00
Legal and professional fees	706.56	2,255.98
Printing and Stationery	11.24	13.49
Rates and taxes	627.40	615.56
Project Maintenance Expenses	2,502.41	3,086.37
Telephone and Internet expenses	22.88	19.35
Travelling & conveyance expenses	24.61	64.07
Bank charges	1.39	1.96
Maintenance expense recoverable write off	6,445.67	6,600.00
Total	10,688.40	12,937.41

(a) Details of Payments to auditors

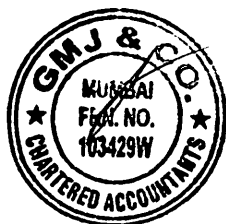
	MARCH 31, 2024	MARCH 31, 2023
As auditor		
Audit Fee	100.00	100.00
Other services & Taxation fees	12.50	-
Quarterly Review fees	60.00	60.00
Total	172.50	160.00



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024****23. EARNINGS PER SHARE**

(Amount in INR'000)		
Particulars	MARCH 31, 2024	MARCH 31, 2023
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the company	(76.28)	(76.64)
Total basic earnings per share attributable to the equity holders of the company	(76.28)	(76.64)
(b) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(52,989.10)	(53,244.73)
	(52,989.10)	(53,244.73)
Weighted average number of equity shares used as the denominator in calculating dilluted earnings per share	694.70	694.70

The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year. There have been no other transactions involving Equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.



ION EXCHANGE ENVIRO FARMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH, 31ST 2024

24. EMPLOYEE BENEFIT OBLIGATIONS

	MARCH 31, 2024			MARCH 31, 2023		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	225.66	175.96	401.62	209.09	166.33	375.41
Gratuity	571.03	405.56	976.58	513.00	363.29	876.29
Total Employee Benefit Obligation	796.68	581.52	1,378.20	722.09	529.62	1,251.71

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR ('000) 225.66 (March 31, 2023: INR ('000) 209.09) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations).

(ii) Post Employment obligations

a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(Amount in INR'000)

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

	Present value of obligation	Fair value of plan assets	Impact of asset ceiling	Net amount
As at April 1, 2023	876.29			876.29
Current service cost	50.02			50.02
Interest expense/(income)	46.94			46.94
Total amount recognised in profit or loss	973.25			973.25
Remeasurements				
(Gain)/Loss from change in financial assumptions				-
Experience (gains)/losses	3.33			3.33
Total amount recognised in other comprehensive income	3.33			3.33
Employer contributions				-
Benefit payments				-
As at March 31, 2024	976.58			976.58

The significant actuarial assumptions were as follows:

	March 31, 2024	March 31, 2023
Discount rate	7.10%	7.28%
Expected return on plan assets	NA	NA
Salary growth rate	8%	8%
Life expectation for:		
Male	58	58
Female	58	58

Sensitivity Analysis

(Amount in INR'000)

	March 31, 2024
Projected Benefit Obligation on Current Assumptions	976.58
Delta Effect of +1% Change in Rate of Discounting	(20.91)
Delta Effect of -1% Change in Rate of Discounting	22.44
Delta Effect of +1% Change in Rate of Salary Increase	23.21
Delta Effect of -1% Change in Rate of Salary Increase	(23.03)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

(Amount in INR'000)

	March 31, 2024
1st Following Year	590.95
2nd Following Year	44.24
3rd Following Year	43.23
4th Following Year	42.24
5th Following Year	41.25
Sum of Years 6 To 10	434.68

(iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is included in "Employee benefit expense".



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

25. RELATED PARTY TRANSACTIONS

Related party transaction has been identified by the management and relied on by auditors.

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation
Ion Exchange (India) Limited	Holding Company	India
Aquanomics Systems Pvt.Ltd.	Associates	India
Ultrafresh Moduler solutions Ltd	Associated Company	India
Ultrasure Envirocare Pvt Ltd	Associated Company	India
Ion Exchange Projects and Engineering Ltd.	Associates	India
Ion Exchange Environment Management Ltd.	Associates	India

(ii) Transactions with related parties

The following transactions occurred with related parties

Name	Nature of Relationship	Nature of Transaction	MARCH 31, 2024	MARCH 31, 2023
Ion Exchange (India) Limited	Holding Company	Sale of Finished Goods	7,676.75	5,880.54
		Interest (Gross)	54,649.70	50,129.59
		Loan Taken	58,058.55	50,882.50
		Loan Repaid	9,473.58	7,511.11
		Rental Income	4,546.75	3,953.70
Ultrafresh Moduler solutions Ltd	Associated Company	Rental Income	5,267.58	5,009.76
Ultrasure Envirocare Pvt Ltd	Associated Company	Rental Income	900.00	675.00

(iii) Loans to/from related parties

Loans from related parties	Nature of Relationship	Particulars	MARCH 31, 2024	MARCH 31, 2023
Ion Exchange (India) Limited	Holding Company	Beginning of the year	4,23,648.97	3,80,277.58
		Loans received	58,058.55	50,882.50
		Loan repayments made	9,473.58	7,511.11
		Interest charged	54,649.70	50,129.59
		Interest paid	54,649.70	50,129.59
		End of the year	4,72,233.94	4,23,648.97

(iii) Terms and conditions of transactions with related parties

The sales and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the period ended March 31, 2024, the company has not recorded any impairment of receivables relating to amount owed by related parties . This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

26 (a). SEGMENT REPORTING

For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, as follows:

Agriculture Goods
Inputs
Unallocated

No operating segments have been aggregated to form the above reportable segment

The Board monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended 31st March, 2024

Particulars	Agriculture Goods	Inputs	Unallocated	Adjustments	Total segments
Revenue					
External customers	7,773.98	-	-	-	7,773.98
Other Income	42.94	-	11,971.16	-	12,014.10
Total revenue	7,816.92	-	11,971.16		19,788.08
Segment Result	(7,881.26)	-	9,538.53		1,657.27
Interest Expense	-	-	(54,649.70)	-	(54,649.70)
Loss before Taxation	(7,881.26)	-	(45,111.17)		(52,992.43)
Total Assets	91,739.86	148.19	7,345.28		99,233.32
Total liabilities	(25,684.13)	(41.31)	(6,27,211.95)		(6,52,937.39)
Other Information					
Depreciation	405.64	-	156.19	-	561.83

Year ended 31st March, 2023

Particulars	Agriculture Goods	Inputs	Unallocated	Adjustments	Total segments
Revenue					
External customers	6,006.46	-	-	-	6,006.46
Other Income	42.94	-	9,667.24	-	9,710.19
Total revenue	6,049.40	-	9,667.24		15,716.64
Segment Result	(8,771.46)	-	5,617.07		(3,154.39)
Interest Expense	-	-	(50,130.20)	-	(50,130.20)
Loss before Taxation	(8,771.46)	-	(44,513.17)		(53,284.59)
Total assets	98,593.22	148.19	4,865.27		1,03,606.68
Total liabilities	26,594.36	-	5,77,720.35		6,04,314.71
Other disclosures					
Depreciation	405.64	-	156.19	-	561.83

Inter-segment revenues are eliminated upon consolidated and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

27. FAIR VALUE MEASUREMENTS**i. Financial Instruments by Category**

Particulars	Carrying Amount		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
FINANCIAL ASSETS				
Amortised cost				
Cash and Cash Equivalents	1,384.35	883.79	1,384.35	883.79
Other Financial Assets	30,190.00	30,190.00	30,190.00	30,190.00
Total	31,574.35	31,073.79	31,574.35	31,073.79
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	6,22,233.94	5,73,648.97	6,22,233.94	5,73,648.97
Trade Payables	2,772.47	3,380.95	2,772.47	3,380.95
Other financial liabilities	9,788.67	9,468.82	9,788.67	9,468.82
Total	6,34,795.08	5,86,498.74	6,34,795.08	5,86,498.74

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The Company has not disclosed the fair value of current financial instruments such as trade receivables, cash and cash equivalent, bank balances - others, loans, others, borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

ii. Fair Value Hierarchy

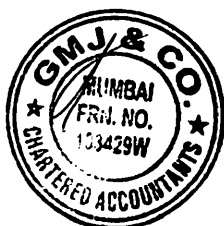
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.



ION EXCHANGE ENVIRO FARMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024

28. FINANCIAL RISK MANAGEMENT

(Amount in INR'000)

The Company has exposure to the following risks arising from financial instruments.

- Credit risk;
- Liquidity risk

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers

Trade receivables

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. In respect of trade receivables, the company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivable.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 1,384.35 (in '000) as at 31st March 2024 (as at 31st March 2023: INR 883.79 (in '000)). The cash and cash equivalents are held with banks.

Other financial assets

Security Deposit for Land represents amounts paid by the Company for acquiring agricultural land, inclusive of stamp duty and registration charges, which are unvoid as at 31st March 2024. The Company has conducted valuation of land and found the market value are higher than the original cost and hence the company has not made provision for the same.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital limits from various banks. The Company invests its surplus funds in bank fixed deposit.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
As at 31st March 2024						
Financial liabilities						
Long Term Borrowings	4,10,000.00	4,10,000.00				4,10,000.00
Short Term Borrowings	2,12,233.94	2,12,233.94	2,12,233.94	-	-	-
Trade Payables	2,772.47	2,772.47	2,772.47	-	-	-
Other financial liabilities	9,788.67	9,788.67	9,788.67	-	-	-
	6,34,795.08	6,34,795.08	2,24,795.08	-	-	4,10,000.00
As at 31st March 2023						
Financial liabilities						
Long Term Borrowings	4,10,000.00	4,10,000.00	1,50,000.00			2,60,000.00
Short Term Borrowings	1,63,648.97	1,63,648.97	1,63,648.97	-	-	-
Trade Payables	3,380.95	3,380.95	3,380.95	-	-	-
Other financial liabilities	9,468.82	9,468.82	9,468.82	-	-	-
	5,86,498.74	5,86,498.74	3,26,498.74	-	-	2,60,000.00

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 of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	March 31, 2024	March 31, 2023
Financial liabilities - measured at amortised cost		
Long term borrowings	4,10,000.00	1,10,000.00
Short term borrowings	2,12,233.94	1,63,648.97
	(6,22,233.94)	(5,73,648.97)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

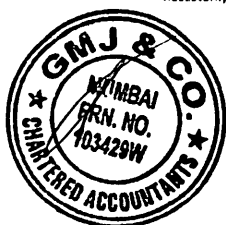
Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amount shown below.

This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	2023-2024		2022-2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
1% Movement				

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH ,31ST 2024**

(Amount in INR'000)

29. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	March 31, 2024	March 31, 2023
Borrowings other than convertible preference shares	6,22,233.94	5,73,648.97
Trade payables	2,772.47	3,380.95
Other payables	19,602.18	19,086.08
Less: cash and cash equivalents	(1,384.35)	(883.79)
Net Debt	6,43,224.24	5,95,232.22
Equity	6,947.00	6,947.00
Other Equity	(5,53,700.47)	(5,00,708.04)
Total Capital	(5,46,753.47)	(4,93,761.04)
Capital and net debt	96,470.77	1,01,471.18
Gearing ratio	666.76	586.60



ION EXCHANGE ENVIRO FARMS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH, 31ST 2024**

(Amount in INR'000)

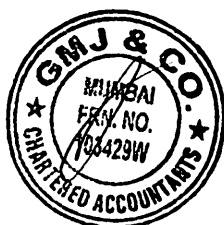
30. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for non current borrowings are:

NON CURRENT ASSETS	March 31, 2024	March 31, 2023
Buildings	7,541.87	7,805.82
Total non current assets pledge as security	7,541.87	7,805.82

First Charge

The security is created on secured non-convertible debentures aggregating to Rs.15,00,00,000 by way of equitable mortgage of deposit of title deeds on the immovable property of company situated at 3rd floor of Ion House admeasuring 15000 sq. ft. together with 20% undivided interest in the said land on which the said building stands and land being plot no. 1A plot no. 3 of Cadastral survey no 69(part) of Lower Parel division situated at Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011



31 Notes to Accounts

31.1 Net Worth

The net worth of the Company has been eroded completely as at 31st March 2024. The Management has undertaken various cost reduction programs during the year and it expects better returns in the coming years from its organic farming activities, bio-pesticides and bio-fertilizers marketing. The Holding Company has assured financial support to the Company. It has provided funds aggregating (NR '000) 6,22,233.94/- up to March 31, 2024. In view of these, the accounts of the Company have been prepared on a 'going concern' basis.

31.2 (A) Provisional registration by SEBI

In response to the SEBI (Collective Investment Schemes) Regulations, 1999 (the "Guidelines"), notified by Securities and Exchange Board of India (SEBI) on 15th October 1999, the Company had applied for registration to SEBI on 14th December 1999. In response, SEBI had granted provisional registration to the Company on 13th February 2003, subject to certain conditions. The provisional registration was subsequently extended and expired on 13th February 2003.

The company applied to SEBI seeking exemptions from provisions of the regulations, because it was not able to comply with certain requirements of SEBI (CIS) Regulations, 1999. The SEBI did not grant exemption and further vide letter dated 7th January, 2003 SEBI called upon the company to show cause why the provisional registration granted to it should not be revoked. After hearing the Company's submission, SEBI vide order dated 27th November, 2003 directed the company to wind up the scheme and refund the monies with returns to investors.

Against the aforesaid order the company filed an appeal before Securities Appellate Tribunal (SAT) which vide its order pronounced on 5th May, 2006 upheld that SEBI order in so far as it relates to refund the monies along with the return to the investors by the company and to wind up of the scheme.

IEEFL had filed appeal against the order of SAT in Hon'ble Supreme Court of India on 4th July, 2006. The Hon'ble Supreme Court of India had dismissed the company's appeal on 26th February, 2013. IEEFL in order to comply with SAT order dated 5th May 2006 has submitted a letter on 17th May 2013 to SEBI seeking its directions to comply with the SAT order.

Subsequent to this there was a meeting with SEBI Officials on 27th November 2013, wherein some additional details about compliance of the Scheme and financial results etc were called for which have been duly complied with vide letter dated 13th December, 2013. Pursuant to this, IEEFL has initiated actions in line with the aforesaid meetings with SEBI Officials & letters submitted to SEBI.

Subsequent to SEBI order of 30th December 2015, for closer of the CIS Scheme (which inter-alia included directions to refund Rs. 20.06 crores to investors, as per the earlier order of 27th November 2003), IEEFL was granted a personal hearing on 3rd February 2016 and additional information called for was submitted on 23rd March 2016. IEEFL has requested permission to wind up the scheme in terms of rule 73(1) to (9) of CIS Regulation as it has completed all obligations towards the investors, i.e. sale of lands and development and maintain the lands then after as per the agreements.

As SEBI refused to accede to IEEFL's request has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 Of 2017 –citing practical difficulties in execution of the SEBI order to refund to all investors as investors have already received their lands / refunds as per the agreements.

IEEFL's plea in SAT is for issuing suitable directions to SEBI for verifying the documentary proofs submitted by IEEFL for conveying of lands, refunds made and thereafter calling outstanding claims, if any, and thereafter declaring wind up of the scheme in terms of the CIS Regulations. Appeal has been already admitted by SAT and certain hearings have also taken place.

The Appeal was heard and vide order dated 18th October, 2019 SAT has dismissed the appeal. The Company has Filed a Review Petition before the SAT, Mumbai on 3rd December 2019 for correction of factual errors in the said order. Further, based on the Legal Advice, pending final order from SAT on the Review Petition, an Appeal is filed in the Supreme Court Against order of SAT on 18th February 2020. As per the SAT hearing dated 19th March 2021, it was held that, there is not an error apparent on the face of the record and thus review application filed was dismissed by SAT. As such the appeal is set aside against the company and further vide order No. 2853/2021 dated 6th December 2021, the Supreme Court has granted liberty to the company to approach Securities and Exchange Board of India and request for reconsideration of the matter by producing additional material. The company has filed additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI vide letter dated 17th May, 2022 has made certain observations and has advised the Company to provide for additional comments/documents, which were submitted through their advocate vide letter dated 12th July 2022. Thereafter SEBI has appointed forensic auditor who is examining the documents and records of the company in order to submit his report to SEBI. Further the queries of the said auditor have been addressed by the company's counsel. Based on the Report Submitted by the Auditor to SEBI, SEBI Has Sought Certain Clarifications from the company and the same has been complied therewith. SEBI vide letter dated 16th May 2024 has directed the company to deposit an amount of Rs. 220,200.00 ('in 000) towards repayment of money to the Investors. The company has sought legal opinion in the matter and further steps are being taken as advised.

(B) Administrator's Appointment

(i) SEBI had on 25th April 2019 under SEBI(Appointment of Administrator and Procedure for Refunding of Investors) Regulations 2018 had appointed an Administrator for selling the Land at Goa(Quepam) of the Company and Recovering the Dues however vide Letter dated 30th April 2019, The Company has Requested the Recovery Office of SEBI to keep the proceedings in abeyance. Further, in view of the above developments the proceedings are in Abeyance or on hold as on date.

(ii) In respect of a lessee namely M/s Bakelite Hylam Limited, company's claim of increased rent has been challenged by the lessee and on 24/08/2016 the order has been granted in favour of lessee to handover the premises. The company is entitled to recover the mesne profit from the Lessee. Further, M/s Bakelite Hylam Limited matter is settled on 14th September, 2023 & The amount of Rs. 1282.31 ('in 000) is being received in accordance with the consent terms finalized between Bakelite Hylam Limited & The company.

(iii) On 23/5/71, The company leased out 9500 sq ft to bakelite for 10 yrs wef 1/4/71, who further sub leased it to Frick India an area of 1750 sq ft who further sub leased an area of 686 sq ft to MR & DP Consultant. In 2001, u/s 3(1)(b) of Maharashtra Rent Control Act 1999, IEIL filed a suit for eviction against the tenants on the ground that their paid up share capital is more than rs 1crore. On 28/6/05, bakelite and IEIL entered into collusive settlement and filed consent terms whereby bakelite transferred the area back to IEIL. Frick India claimed that the eviction notice was only given to bakelite, the head tenant and not to them the sub tenants. However, the court held that notice is not required to given to sub tenant and termination of tenancy of bakelite brings about termination of tenancy of sub tenants. Restoration was allowed to the applicant by bombay high court at the cost rs 1lakh along with arrears in compensation at the rate rs 1 lakh /month from the wef 1/1/17. The above order was modified at compensation was fixed at rs 60,000 / month instead of rs 1 lakh/month. In 2011, Frick India filed CRA in Bombay HC which was dismissed on 18/04/2024.



31.3 Security Deposit for Land

Security Deposit for Land represents amounts paid by the Company for acquiring agricultural land, inclusive of stamp duty and registration charges, which are unsold as at 31st March 2024. The Company has conducted valuation of land and found the market value are higher than the original cost and hence the company has not made provision for the same.

31.4 Advances for Repurchases

Advances for repurchase represents amounts paid to investors for purchase of sites sold to them in earlier years, at prices announced by the Company from time to time. These amounts are paid to investors on their execution of an irrevocable Power of Attorney in favour of the Company's nominees for sale thereof at future date.

31.5 Debenture

The Company has issued 15,00,000 7% p.a secured redeemable non convertible Debentures of Rs. 100 each to its holding company Ion Exchange (India) Limited on 31st March 2010. On 29th March, 2024 the Debenture has been rollover and the company shall redeem the debentures on or before 29th March, 2031. The Debentures shall have a call and put option after end of six months from the date of rollover. The debentures are secured by way of first charge on immovable property situated at 3rd floor, Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011.

31.6 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprise development Act 2006 and hence no disclosure required under the said Act can be made.

31.7 In the opinion of the board, there are no amount outstanding and due for more than 36 days in excess of Rs One Lacs to Small Scale undertaking as stipulated by notification issued on 22 February 1999 in the Gazette of India (GSR No 129(E) dated 27 February 1999) issued by the department of Company Affairs, Ministry of Law Justice & Company affairs, Government of India.

32 The company does not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956, during the current year and in the previous year.

33 The Company has neither invested nor traded in Crypto currency or Virtual Currency during the current year and in the previous year.

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


35 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).

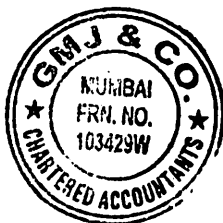
36 Pursuant to the amendments to Schedule III vide MCA circular dated March 23, 2021, the following ratios are presented:

Particulars	YEAR ENDED 31.03.2024	YEAR ENDED 31.03.2023	Remarks
Current ratio	0.02	0.01	Due to increase in other current asset i.e. rent receivable
Debt equity ratio	-1.14	-1.16	Due to decrease in Equity is more as compared to increase in debt.
Debt service coverage ratio	0.03	-0.04	Principal and interest repayment is more as compared to previous year.
Return on equity ratio	0.10	0.11	Due to decrease in other equity during the year.
Inventory turnover ratio	Not Applicable		No Inventory during the year and previous year.
Trade receivables turnover ratio in months (annualised)	Not Applicable		No Trade Receivable during the current year and previous year.
Trade payables turnover ratio	1.67	1.34	Due to purchases made during the year.
Net capital turnover ratio	-0.09	-0.10	Due to increase in sales & avg. working capital.
Net profit ratio	-2.87	-3.40	Due to increase in Total Income as compared to previous year.
Return on capital employed ratio	-0.01	0.04	Increase in Capital Employed is more as compared to EBIT.
Return on investment ratio	Not Applicable		No Investments made during the year and previous year.

37 Previous years figures have been regrouped/ rearranged, wherever necessary.


For GMJ & Co
Chartered Accountants
Firm No. 103429W


CA Atul Jain
Partner
M. No. 037097
Place : Mumbai
Date : 22nd May, 2024



For and on behalf of the Board of Directors


Rajesh Sharma
Director
DIN 00515486


P.M. Nawathe
Director
DIN 06587114