

**86<sup>TH</sup>**  
**Annual Report**  
**2024-25**



**ZR2 BIOENERGY LIMITED**



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# Corporate Information

## Board of Directors

Mr. Jimmy Olsson

Mr. Nilesh Jayant Jain

Ms. Nirupama Charuhas Khandke

Mr. Sunil Kondiba Kalhapure

Chairperson & Managing Director

Non-Executive Non-Independent Director

Independent Director

Independent Director

## Chief Financial Officer

Mr. Mahendra Surajbhan Agarwal

## Company Secretary

Ms. Shital Suresh Gurav (w.e.f. 29<sup>th</sup> May, 2025)

## Statutory Auditors

M/s Bagaria & Co. LLP

Practicing Chartered Accountants

## Secretarial Auditors

Ritika Agrawal & Associates

Practicing Company Secretaries

## Registrar & Share Transfer Agent

MUFG Intime India Pvt. Ltd.

## Internal Auditor

M/s. Amit Uttamchandani & Associates,  
Chartered Accountant

## Registered Office

Plot No. 314, 307 Ashirwad Paras-1,  
S.G. Highway, Makarba, Ahmedabad 380 051  
Gujarat

## Corporate Office

1102 Lodha Supremus, Senapati Bapat Marg  
Lower Parel, Mumbai 400 013  
Maharashtra

# NOTICE TO SHAREHOLDERS

Notice is hereby given that 86<sup>th</sup> Annual General Meeting of the Members of **ZR2 BIOENERGY LIMITED** (formerly known as “Gujchem Distillers India Limited”) will be held on Monday, 29<sup>th</sup> September, 2025 through Video Conferencing (VC) or other Audio-Visual Means (OAVM) at 12:00 PM to transact the following businesses:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited (Standalone and Consolidated) Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend of ₹. 0.10 per equity share of ₹. 1 each for the financial year ended 31<sup>st</sup> March, 2025.
3. To appoint a Director in place of Mr. Nilesh Jayant Jain (DIN: 07588945), who retires by rotation and being eligible offers himself for re-appointment.

## SPECIAL BUSINESS:

4. **To appoint M/s Ritika Agrawal & Associates, Company Secretaries as Secretarial Auditors of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 204, and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any circulars issued by Securities Exchange Board of India in this regard, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Audit Committee and Board of Directors, approval of the Members of the company be and is hereby accorded to appoint M/s Ritika Agrawal & Associates, Practicing Company Secretary (Peer Review No: 3975/2023) as the Secretarial Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of 90<sup>th</sup> Annual General Meeting to be held in the year 2030, at such remuneration as may be determined by the Board of Directors of the Company in consultation with the Secretarial Auditor;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto.”

5. **Re-classification of the authorized share capital and consequent alteration of Memorandum of Association and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules, regulations, notifications and guidelines issued thereunder, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable law (including any amendments, statutory modifications, variations and/ or re-enactments to any of the foregoing) and the enabling provisions of the Articles of Association of the Company and the Memorandum of Association of the Company, and subject to all other necessary approvals, permissions, consents and sanctions, if required, the consent of the Members of the Company be and is hereby accorded to reclassify the existing authorized share capital of the Company from “₹ 10,00,00,000 (Rupees Ten Crores Only) divided into 9,60,00,000 (Nine Crore Sixty Lacs) equity shares of ₹ 1 (Rupees One Only) each and 15,000 (Fifteen Thousand) 11% Cumulative Redeemable Preference Shares, free of Company's tax of ₹.100 (Rupees Hundred Only) each (First Issue) and 20,000 (Twenty Thousand) 11% Cumulative Redeemable Preference Shares, free of Company's tax of ₹.100 (Rupees Hundred Only) each (Second Issue) and 50,000 (Fifty Thousand) unclassified shares of ₹.10 (Rupees Ten Only) each to “₹ 10,00,00,000 (Rupees Ten Crores Only) divided into 10,00,00,000 (Ten Crores Only) equity shares of ₹ 1 (Rupees One Only) each”.

**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

**“V. The Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores Only) divided into 10,00,00,000 (Ten Crores Only) Equity Shares of Rs.1/- (Rupee One Only) each.”**

**RESOLVED FURTHER THAT** for giving effect to above resolution, the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any duly authorized Committee of the Board and/or any officers of the Company, by whatever name called to exercise its power conferred by this resolution) be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to execution of all necessary and required documents, instruments, writings and papers and filing of all necessary reports, return, e-forms with the Ministry of Company Affairs (MCA) or other authorities, and to settle all difficulties, doubts and questions that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the Members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any directors,

committees, executives, officers or representatives of the Company or to any other person, as may be necessary to give effect to the above resolutions and all actions taken by such persons in connection with any matters referred to or contemplated in the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

**6. To approve shifting of registered office of the Company from the state of Gujarat to the State of Maharashtra and consequent alteration to the Memorandum of Association of the Company and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or reenactment(s) thereof for the time being in force), applicable rules and regulations framed by Securities and Exchange Board of India, and subject to the approval of the Central Government (power delegated to Regional Director) and / or any other authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the equity shareholders is hereby granted for shifting the registered office of the Company from Survey No. 146, Plot No. 314, 307, 3<sup>rd</sup> Floor, Ashirwad Paras-1, S. G. Highway, Makarba, Ahmedabad- 380051 Gujarat to 1102 Lodha Supremus Floor 11, Senapati Bapat Marg Lower Parel, Mumbai – 400013 Maharashtra, within the jurisdiction of Registrar of Companies, Mumbai and the existing Clause II of the Memorandum of Association of the Company be and is hereby altered by substituting the same with the following clause:

**“II. The registered office of the Company will be situated in the “State of Maharashtra.”**

**RESOLVED FURTHER THAT** upon confirmation by the Regional Director, North Western Region, registered office of the Company be shifted from the state of Gujarat to the State of Maharashtra, within the jurisdiction of Registrar of Companies, Mumbai.

**RESOLVED FURTHER THAT** Mr. Jimmy Olsson, Managing Director, Mr. Mahendra Surajbhan Agarwal, Chief Financial Officer and Ms. Shital Suresh Gurav, Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution as may be deemed necessary, including but not limited to:

- a) Execution / filing of an application under Section 13 of the Act and other applicable provisions, if any, of the Act with the Central Government / Regional Director / Registrar of Companies or any other required authorities, either in physical form or online form on portal of Ministry of Corporate Affairs;
- b) Appointment of an authorised representative to appear for, act and represent the Company before the Central Government / Regional Director / Registrar of Companies or any other authorities as may be required to give effect to the resolution;
- c) Execution and signing (including digitally sign) of such applications, forms (including e-forms), papers, deeds, documents, petitions, affidavits, as may be required in connection with the above; and
- d) to appear for and represent the Company and to obtain orders for shifting of registered office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.
- e) Make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary; and
- f) Do all such other acts, deeds, matters and things as they may be deemed necessary to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** Mr. Mahendra Surajbhan Agarwal, Chief Financial Officer and Ms. Shital Suresh Gurav, Company Secretary, be and are hereby authorised to appear and represent the Company before the office of the Regional Director, North Western Region and office of the Registrar of Companies, Ahmedabad, in the matter of the application / petition to be filed with the Regional Director for its confirmation to the proposed alteration of the situation clause of the Memorandum of Association and be and is hereby authorised to make such statements, furnish such information and do such things as may be necessary in relation to the said application/petition.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and is hereby severally authorised to sign a copy of the above resolutions as a certified true copy thereof, file necessary forms and furnish the same to whomsoever concerned”.

**7. To approve ‘ZR2 Bioenergy Employees Stock Option Plan 2025’ and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as **“SEBI SBEB & SE Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (**“SEBI Listing Regulations”**), the provisions



of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India (“SEBI”), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the consent of the members of the Company be and is hereby accorded for the approval of the **ZR2 Bioenergy Employees Stock Option Plan 2025’ (“ZR2 Bioenergy ESOP 2025” or “Plan” or “ESOP 2025”)** and authorizing the Board of Directors of the Company Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to create, grant, offer, transfer from time to time, in one or more tranches, not exceeding in aggregate 7,13,770 employee stock options (“Options”) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of employees and directors of the Company, its Subsidiary Company or Associate Company, in India or outside India of the Company (as defined in the Plan) and to such persons as may, from time to time, be allowed to be eligible for the benefits of the Plan, exercisable into not more than 7,13,770 equity shares (“Shares”) of face value of Rs. 1/- (Rupees One only) each fully paid-up, on such terms, condition and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

**RESOLVED FURTHER THAT** the Plan shall be administered by the Nomination and Remuneration Committee (“Committee”) of the Company who shall have all necessary powers as defined in the Plan and is hereby designated as Compensation Committee in pursuance of the SEBI SBEB & SE Regulations for the purpose of administration and superintendence of the Plan.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued. In such cases, the number and exercise price of the Options shall be adjusted in a manner that ensures the total value of the Options to the Grantee remains the same after the corporate action.

**RESOLVED FURTHER THAT** in case the Shares of the Company are either sub-divided or consolidated, then the ceiling in terms of number of Shares specified above shall automatically stand augmented or reduced, as the case may be, in the same proportion as the change in face value of each Share following such sub-division or consolidation.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed under the SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.”

8. **To approve the extension of the benefits under the ‘ZR2 Bioenergy Employees Stock Option Plan 2025’ to the employees of the subsidiary and associate company(ies) of the Company and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/ notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as “SEBI SBEB & SE Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”), the provisions of relevant regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India (“SEBI”), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to extend the benefits of **‘ZR2 Bioenergy Employees Stock Option Plan 2025’ (“ZR2 Bioenergy ESOP 2025” or “Plan” or “ESOP 2025”)** including the grant of Employee Stock Options (“Options”) and transfer of the Equity Shares (“Shares”) thereunder, to or for the benefit of employees and directors of the Subsidiary Company, in India or outside India, and Associate Company of the Company (as defined in the Plan) and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Plan (as permitted under the applicable laws from time to time) at such price and on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued. In such cases, the number and exercise price of the Options shall be adjusted in a manner that ensures the total value of the Options to the Grantee remains the same after the corporate action.

**RESOLVED FURTHER THAT** in case the Shares of the Company are either sub-divided or consolidated, then the ceiling in terms of number of Shares specified above shall automatically stand augmented or reduced, as the case may be, in the same proportion as the change in face value of each Share following such sub-division or consolidation.

**RESOLVED FURTHER THAT** Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Plan and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

**RESOLVED FURTHER THAT** the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021, and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

9. **To approve grant of loans, inter corporate deposits, give guarantees in connection with loans made by any person or body corporate and acquire by way of subscription, purchase or otherwise the securities of any other body corporate in excess of the limits prescribed in Section 186 of the Companies Act, 2013 and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:**

"**RESOLVED THAT**, in supersession of all the earlier resolutions passed and pursuant to the provisions of Section 186 of the Companies Act, 2013 (the 'Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act (including any statutory modification, amendment or re-enactment thereof for the time being in force) and subject to other applicable laws and such other approvals, consents, sanctions and permissions as may be required in this behalf and in terms of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to:

- a) give loans, inter corporate deposits from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- b) give on behalf of any person, body corporate, any guarantee in connection with a loan made by any other person to, or to any other person by any body corporate; and
- c) acquire by way of subscription, purchase or otherwise the securities of any other person by any body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of ₹. 1250 Crores (Rupees One Thousand Two Fifty Crores Only) for notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee is given along with the investments, loans, inter corporate deposits, guarantee proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more."

**By the order of the Board**  
**ZR2 Bioenergy Limited**

**Shital Gurav**  
**Company Secretary & Compliance Officer**  
**ACS No.: 73942**

**Date: 3<sup>rd</sup> September, 2025**  
**Place: Mumbai**



**NOTES:**

- i) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business set out in Item No. 4,5,6,7,8 & 9 of the accompanying Notice to be transacted at the Annual General Meeting is annexed hereto. The relevant details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed. The items under Special Business of the AGM Notice are considered unavoidable by the Board of Directors of the Company and hence included.
- ii) The Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 08, 2020 17/2020 dated April 13, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 5, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) and MCA Circulars, the 86<sup>th</sup> AGM of the Company is being held through VC / OAVM on Monday, 29<sup>th</sup> September, 2025 at 12.00 p.m. (IST). The deemed venue for the 86<sup>th</sup> AGM shall be the registered office of the Company.
- iii) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC/OAVM, PURSUANT TO THE MCA CIRCULARS PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
- iv) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with MUFG Intime Private Limited for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a members using remote e-voting system before AGM as well as during the AGM will be provided by MUFG Intime Private Limited.
- v) The Board of Directors have appointed **M/s Ritika Agarwal & Associates**, Practicing Company Secretary, (Membership No.: 8949) Mumbai as the Scrutinizer to scrutinize the remote e-voting and e-voting at AGM in a fair and transparent manner.
- vi) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions on account of first come first served basis.
- vii) Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI etc.) intends to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the 86<sup>th</sup> AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution / Authority Letter / etc. (PDF/JPG format) to the Scrutinizer by e-mail at raacs2017@gmail.com with a copy marked to investors@zr2group.com. They can also upload their Board Resolution / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- viii) Dividend, as recommended by the Board, if approved by the Members at AGM, shall be paid on or before 29<sup>th</sup> October , 2025, subject to deduction of tax at source ('TDS') to those:
  - a. Members whose name appears in the Register of Members of the Company after giving effect to valid share transfers / transmission / transposition in physical form lodged with the Company or its Registrar and Share Transfer Agents (RTA) on or before 9<sup>th</sup> September, 2025; and
  - b. Beneficial Owners whose name appears in the list of Beneficial Owners Position list as on the closing hours of 9<sup>th</sup> September, 2025, furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for this purpose.
- ix) In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1<sup>st</sup> April, 2020, dividend declared and paid by any Company is taxable in the hands of Shareholders. Your Company shall, therefore, be required to deduct TDS at the time of payment of dividend in accordance with the provisions of the Income Tax Act, 1961 read with the Finance Act, 2020 and at the applicable rates of taxes. The TDS rate may vary depending upon the residential status of the shareholder and the documents submitted to your Company. TDS rates that are applicable to Members depend upon their residential status and classification as per the provisions of the Act. The Company will therefore deduct tax at source at the time of payment of dividend, at rates based on the category of members and subject to fulfilment of certain conditions. Your Company will be sending communication to the Shareholders informing them to submit the necessary documents to enable your Company to calculate

the amount of tax required to be deducted from the proposed dividend, for the financial year ended 31<sup>st</sup> March, 2025, in respect of each eligible shareholders.

- x) SEBI had mandated that with effect from 1<sup>st</sup> April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.
- xi) In order to receive dividend/s in a timely manner, Shareholders holding shares in physical form who have not updated their mandate for receiving the Dividends directly in their Bank Accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive Dividends directly into their Bank Account electronically or any other means, by sending scanned copy of the following details / documents by e-Mail to reach the Company's e-Mail address investors@zr2group.com prior to Record Date, i.e. 9<sup>th</sup> September, 2025:
  - a. Signed Request Letter mentioning your Name, Folio Number, Complete Address and following details relating to bank account in which the Dividend is to be received - Name and Branch of Bank and Bank Account type; - Bank Account Number allotted by your bank after implementation of Core Banking Solutions; - 11 digit IFSC Code;
  - b. Self-attested scanned copy of cancelled cheque bearing the name of the Shareholder or first holder, in case shares are held jointly;
  - c. Self-attested scanned copy of the PAN Card; and
  - d. Self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Shareholder as registered with the Company.

For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s. Company will not be able to accept any direct request from such Members for change/addition/deletion in such bank details.



- xii) The attendance of the Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per the applicable Circulars.
- xiii) In compliance with the MCA Circulars, the Notice of the AGM along with Annual Report for FY 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participants (DPs)/ Registrar & Transfer Agent (RTA) as on 29<sup>th</sup> August, 2025 (being cut off date for Notice). For Members who have not registered their email IDs, a letter containing exact web-link of the Company's website i.e. <https://gujchemdistillers.in/> where the Annual Report of the Company is hosted, is being sent at the addresses registered in the records of Company/RTA /DPs.

The Company shall send a physical copy of the Annual Report to those Members who request for the same at investors@zr2group.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 86<sup>th</sup> AGM and the Annual Report 2024-25 have been uploaded on the website of the Company at <https://gujchemdistillers.in/> and may also be accessed from the relevant section on the websites of the Stock Exchange, i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice of the AGM is also available on the website of MUFG Intime Private Limited at [instavote.linkintime.co.in](http://instavote.linkintime.co.in).

- ivx) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 22<sup>nd</sup> September, 2025 being Cut-off Date.
- xv) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2025. Members seeking to inspect such documents can send an email to investors@zr2group.com.
- xvi) Further, SEBI vide its circular dated 3<sup>rd</sup> November, 2021, read with clarification dated 14<sup>th</sup> December, 2021 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective from 1<sup>st</sup> January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1<sup>st</sup> April, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form to furnish the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com) or contact the Company's RTA 079 - 26465179 ('Registrar') at (email of RTA) [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) for assistance in this regard.
- xvii) As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at <https://gujchemdistillers.in/>

- xviii) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- xix) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any joint holder / Member as soon as possible. Members are also advised to periodically obtain / request their DP for statement of their shareholding and the same be verified from time to time.
- xx) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- xxi) **The remote e-voting period begins on Friday, 26<sup>th</sup> September, 2025 at 10.00 AM and ends on Sunday, Sunday, 28<sup>th</sup> September, 2025 at 05.00 PM. The remote e-voting module shall be disabled by MUFG Intime India Pvt. for voting thereafter.**

The process and instructions for remote e-voting and login method for Individual shareholders holding securities in demat mode/ physical mode is given as below:

Type of Shareholders	Log in Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<p><b>METHOD 1 - NSDL IDeAS facility</b></p> <p><u>Shareholders registered for IDeAS facility:</u></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and click on “Beneficial Owner” icon under “IDeAS Login Section”.</li> <li>Click on “Beneficial Owner” icon under “IDeAS Login Section”.</li> <li>Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.</li> <li>Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><u>Shareholders not registered for IDeAS facility:</u></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and select “Register Online for IDeAS Portal” or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code &amp; click on “Submit”.</li> <li>Enter the last 4 digits of your bank account / generate ‘OTP’</li> </ol> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> </div> <div style="display: flex; justify-content: center; align-items: center; margin: 10px 0;">   </div> <ol style="list-style-type: none"> <li>Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).</li> </ol> <p><b>METHOD 2 - NSDL e-voting website</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> .</li> <li>Click on the “Login” tab available under ‘Shareholder/Member’ section.</li> <li>Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/ OTP and a Verification Code as shown on the screen.</li> <li>Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.</li> </ol>

Type of Shareholders	Log in Method
	<p>e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</p> <p><b>METHOD 3 - NSDL OTP based login</b></p> <p>a) Visit URL: <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a></p> <p>b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.</p> <p>c) Enter the OTP received on your registered email ID/ mobile number and click on login.</p> <p>d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.</p> <p>e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</p>
<b>Individual Shareholders registered with CDSL Easi/ Easiest facility</b>	<p><b>METHOD 1 - CDSL Easi/ Easiest facility:</b></p> <p><u>Shareholders registered for Easi/ Easiest facility:</u></p> <p>a) Visit URL: <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> &amp; click on New System Myeasi Tab.</p> <p>b) Enter existing username, Password &amp; click on “Login”.</p> <p>c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</p> <p><u>Shareholders not registered for Easi/ Easiest facility:</u></p> <p>a) To register, visit URL: <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a> / <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a></p> <p>b) Proceed with updating the required fields for registration.</p> <p>c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).</p> <p><b>METHOD 2 - CDSL e-voting page</b></p> <p>a) Visit URL: <a href="https://www.cdslindia.com">https://www.cdslindia.com</a></p> <p>b) Go to e-voting tab.</p> <p>c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.</p> <p>d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account</p> <p>e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</p>

Type of Shareholders	Log in Method
Individual Shareholders holding securities in demat mode with Depository Participant	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.</p> <div><div>a)</div><div>Login to DP website</div></div> <div><div>b)</div><div>After Successful login, user shall navigate through “e-voting” option.</div></div> <div><div>c)</div><div>Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.</div></div> <div><div>d)</div><div>Post successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</div></div>
Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.	<p>Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:</p> <p>STEP 1: LOGIN / SIGNUP to InstaVote</p> <p>Shareholders registered for INSTAVOTE facility:</p> <div><div>a)</div><div>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> &amp; click on “Login” under ‘SHARE HOLDER’ tab.</div></div> <div><div>b)</div><div>Enter details as under:</div><div><div><div>InstaVote USER ID</div><div><div>NSDL</div><div>CDSL</div><div>Shares held in physical form</div></div><div><div>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).</div><div>User ID is 16 Digit Beneficiary ID.</div><div>User ID is <u>Event No + Folio no.</u> registered with the Company</div></div></div></div><div><div>1.</div><div>User ID: Enter User ID</div></div><div><div>2.</div><div>Password: Enter existing Password</div></div><div><div>3.</div><div>Enter Image Verification (CAPTCHA) Code</div></div><div><div>4.</div><div>Click “Submit”.</div></div><p>(Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)</p><p><u>Shareholders not registered for INSTAVOTE facility</u></p><div><div>a)</div><div>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> &amp; click on “Sign Up” under ‘SHARE HOLDER’ tab &amp; register with details as under:</div></div><div><div><div>InstaVote USER ID</div><div><div>NSDL</div><div>CDSL</div><div>Shares held in physical form</div></div><div><div>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).</div><div>User ID is 16 Digit Beneficiary ID.</div><div>User ID is <u>Event No + Folio no.</u> registered with the Company</div></div></div></div><div><div>1.</div><div>User ID: Enter User ID</div></div><div><div>2.</div><div>PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</div></div><div><div>3.</div><div>DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)</div></div></div>

Type of Shareholders	Log in Method
	<ol style="list-style-type: none"> <li>4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ol style="list-style-type: none"> <li>o Shareholders holding shares in NSDL form, shall provide 'point 4' above</li> <li>o Shareholders holding shares in physical form but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above</li> </ol> </li> <li>5. Set the password of your choice. (The password should contain minimum 8 characters, at least one special Character (!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>6. Enter Image Verification (CAPTCHA) Code.</li> <li>7. Click "Submit" (You have now registered on InstaVote).  Post successful registration, click on "Login" under 'SHARE HOLDER' tab &amp; follow steps given above in points (a-b).</li> </ol>
	<b>STEP 2: Steps to cast vote for Resolutions through InstaVote</b>
	<ol style="list-style-type: none"> <li>A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".</li> <li>B. Select 'View' icon. E-voting page will appear.</li> <li>C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</li> <li>D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.</li> <li>E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</li> </ol> <p>NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.</p> <p>Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.</p>
<b>Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")</b>	<b>STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration</b> <ol style="list-style-type: none"> <li>A. Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"</li> <li>C. Fill up your entity details and submit the form.</li> <li>D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity &amp; stamped and sent to <a href="mailto:insta.vote@linkintime.co.in">insta.vote@linkintime.co.in</a>.</li> <li>E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)</li> </ol>



Type of Shareholders	Log in Method
	<p><b>STEP 2 – Investor Mapping</b></p> <p>A. Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with InstaVote Login credentials.</p> <p>B. Click on “Investor Mapping” tab under the Menu Section</p> <p>C. Map the Investor with the following details:</p> <ol style="list-style-type: none"> <li>1) ‘Investor ID’ – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.</li> <li>2) ‘Investor’s Name - Enter Investor’s Name as updated with DP.</li> <li>3) ‘Investor PAN’ - Enter your 10-digit PAN.</li> <li>4) ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.</li> </ol> <p>NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary.</p> <p>Further, Custodians and Mutual Funds shall also upload specimen signatures.</p> <p>D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.</p> <p><b>STEP 3 – Steps to cast vote for Resolutions through InstaVote</b></p> <p>The corporate shareholder can vote by two methods, during the remote e-voting period.</p> <p><b>METHOD 1 - VOTES ENTRY</b></p> <ol style="list-style-type: none"> <li>a) Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with InstaVote Login credentials.</li> <li>b) Click on “Votes Entry” tab under the Menu section.</li> <li>c) Enter the “Event No.” for which you want to cast vote.</li> <li>d) Event No. can be viewed on the home page of InstaVote under “On-going Events”. Enter “16-digit Demat Account No.”.</li> <li>e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.</li> <li>f) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.</li> </ol> <p>(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).</p> <p><b>METHOD 2 - VOTES UPLOAD</b></p> <ol style="list-style-type: none"> <li>a) Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and login with InstaVote Login credentials.</li> <li>b) After successful login, you will see “Notification for e-voting”.</li> <li>c) Select “View” icon for “Company’s Name / Event number”.</li> <li>d) E-voting page will appear.</li> <li>e) Download sample vote file from “Download Sample Vote File” tab.</li> <li>f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under “Upload Vote File” option.</li> <li>g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.</li> </ol> <p>(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).</p>

Type of Shareholders	Log in Method						
<b>Helpdesk:</b>							
<b>Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:</b>	Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at <a href="mailto:enotices@in.mpms.mufg.com">enotices@in.mpms.mufg.com</a> or contact on: - Tel: 022 – 4918 6000.						
<b>Individual Shareholders holding securities in demat mode:</b>	Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL						
	<table> <tr> <th>Login type</th><th>Helpdesk details</th></tr> <tr> <td>Individual Shareholders holding securities in demat mode with NSDL</td><td>Members facing any technical issue in login can contact NSDL helpdesk by sending request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000</td></tr> <tr> <td>Individual Shareholders holding securities in demat mode with CDSL</td><td>Members facing any technical issue in login can contact CDSL helpdesk by sending request at <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33</td></tr> </table>	Login type	Helpdesk details	Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000	Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Login type	Helpdesk details						
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000						
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33						
<b>Forgot Password:</b>							
<b>Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:</b>	<p>Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>● Click on <b>“Login”</b> under ‘SHARE HOLDER’ tab.</li> <li>● Click “forgot password?”</li> <li>● Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).</li> <li>● Click on “SUBMIT”.</li> </ul> <p>In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>● Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab</li> <li>● Click “forgot password?”</li> <li>● Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).</li> <li>● Click on “SUBMIT”</li> </ul> <p>In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter.</p>						
<b>Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:</b>	Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.						
<b>General Instructions – Shareholders</b>	<ul style="list-style-type: none"> <li>● It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>● For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.</li> <li>● During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.</li> </ul>						

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

### Item No. 4: Appointment of Secretarial Auditor of the Company

Pursuant to Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), every listed Company is required to annex with its Board's Report, a Secretarial Audit Report issued by a Practicing Company Secretary.

Furthermore, pursuant to recent amendments to Regulation 24A of the SEBI Listing Regulations, a listed entity shall appoint a peer reviewed firm of Company Secretaries in practice as Secretarial Auditor for a maximum of two terms of five consecutive years, with the approval of shareholders at the AGM. Further, any association of such firm with the Company prior to 31<sup>st</sup> March, 2025, shall not be considered for calculating the aforesaid tenure.

Accordingly, after evaluating and considering various factors, including the firm's capacity to handle diverse and complex business environment, its industry standing and the clientele it serves, the Audit Committee and the Board of Directors of the Company at their Meeting held on 3<sup>rd</sup> September, 2025 have recommended the appointment of M/s. Ritika Agarwal & Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company for a term of five consecutive years from FY 2025-26 to FY 2029-30, subject to the approval of shareholders at the ensuing AGM.

#### Brief Profile:

M/s. Ritika Agarwal & Associates is a well-known firm of Practicing Company Secretaries, in Mumbai.

Expertise in delivering comprehensive professional services across regulatory compliances, including Corporate Law, SEBI and FEMA Regulations, and allied areas providing strategic solutions that ensure seamless regulatory adherence and enhance operational efficiency.

The proposed fees for carrying out the Secretarial Audit for FY 2025-26, payable to M/s. Ritika Agarwal & Associates, shall be ₹ 50,000 (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses. Besides the secretarial audit services, the Company would also obtain certifications as required under various regulations and avail other permissible services, as may be required, from time to time, for which, the Auditor will be remunerated separately, as may be mutually agreed by the Board of Directors (including its Committee) and the Secretarial Auditor. The remuneration for remaining tenure would be fixed by the Board of Directors or any Committees thereof of the Company, from time to time.

M/s. Ritika Agarwal & Associates has been the Secretarial Auditor of the Company from FY 2023-24 and as part of their Secretarial Audit, they have demonstrated their expertise and proficiency in handling Secretarial Audit of the Company. M/s. Ritika Agarwal & Associates has given its consent to act as the Secretarial Auditor of the Company and has also confirmed that they hold a valid peer review certificate issued by Institute of Company Secretaries of India ('ICSI') and they are not disqualified from being appointed as the Secretarial Auditor.

The Board of Directors of the Company recommends the appointment /s. Ritika Agarwal & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of five consecutive years at of ₹ 50,000 as set out in item no. 4, for approval of the Members of the Company as an Ordinary Resolution. None of the Directors and/or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out in item No. 4.

### Item No. 5: Re-classification of the authorized share capital and consequent alteration of Memorandum of Association

The present Authorized Share Capital of the Company is "₹ 10,00,00,000 (Rupees Ten Crores Only) divided into 9,60,00,000 (Nine Crore Sixty Lacs) equity shares of ₹ 1 (Rupees One Only) each and 15,000 (Fifteen Thousand) 11% Cumulative Redeemable Preference Shares, free of Company's tax of ₹.100 (Rupees Hundred Only) each (First Issue) and 20,000 (Twenty Thousand) 11% Cumulative Redeemable Preference Shares, free of Company's tax of ₹.100 (Rupees Hundred Only) each (Second Issue) and 50,000 (Fifty Thousand) unclassified shares of ₹.10 (Rupees Ten Only) each."

The Board, at its meeting held on 3<sup>rd</sup> September, 2025 has accorded its approval to the reclassification of existing authorized share capital of the Company from to "₹ 10,00,00,000 (Rupees Ten Crores Only) divided into 10,00,00,000 (Ten Crores Only) equity shares of ₹ 1 (Rupees One Only) each", subject to shareholder approval.

Pursuant to the provisions of Section 13 and 61 of the Companies Act, 2013, approval of the shareholders of the Company is being sought for such reclassification of authorized share capital and consequent alteration in the Memorandum of Association of the Company.

The Board recommends the resolution set out at Item No. 5 by way of an Ordinary Resolution.

None of the directors and key managerial persons (KMPs) of the Company or any of their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of this Notice.

### Item No. 6: Approve shifting of registered office of the Company from the state of Gujarat to the State of Maharashtra and consequent alteration to the Memorandum of Association.

The Company is looking to restructure its business operations in the State of Maharashtra at Mumbai as the proposed change would enable the Company to:

- i. provides better access to the banks, investors and aids in fund-raising activities since Mumbai, Maharashtra being the financial hub of India.
- ii. Improvement in the administrative and management efficiency and convenience.

All the above would ultimately benefit the members, clients and associates.

Pursuant to the provisions of Sections 12 and 13 of the Companies Act, 2013 and rules made thereunder, as the shifting of registered office is from one state to another, prior approval of the equity shareholders of the Company by way of Special Resolution and the approval of Regional Director (Central Government) and Registrar of Companies are required to be obtained. Further, consequent to the change of registered office of the Company, it is also proposed to alter the Clause II of the Memorandum of Association as follows:

**“II. The registered office of the Company will be situated in the “State of Maharashtra.”**

Accordingly, in view of the above, the approval of the equity shareholders is sought for shifting the registered office of the Company and alteration of Clause II of the Memorandum of Association of the Company.

Therefore, the directors recommend the Resolution at Item No. 6 as set out in this Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way concerned or interested financially or otherwise in the resolution, except to the extent of their shareholding, if any, in the Company.

**Item No. 7 & 8: Approval of ZR2 Bioenergy Employee Stock Option Plan 2025**

Your Company believes that equity-based compensation Plan are effective tools to attract, retain, motivate and reward the talents working exclusively with the Company, and its group including the Subsidiary(ies) Company and Associate Company. With the objective to motivate key employees for their contribution to the corporate growth on sustained basis, to create an employee ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company’s objectives, your Company intends to implement an employee stock option Plan namely ‘**ZR2 Bioenergy Employee Stock Option Plan 2025**’ (**“ZR2 Bioenergy- ESOP 2025” or “Plan” or “ ESOP 2025”**) seeking to cover eligible employees.

In accordance with the provisions of Section 62(1)(b) of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and Regulation 6 (1) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee (“NRC” / “Compensation Committee”), has approved the introduction of an “ZR2 Bioenergy Employee Stock Option Plan 2025” (**“ZR2 Bioenergy- ESOP 2025” or “Plan” or “ ESOP 2025”**), subject to the approval of shareholders by way of a special resolution. The Special Resolution set out at Item No. 7 & 8 is to seek your approval for the said purpose.

Key Disclosures as required under SEBI SBEB Regulations:

**1. The objective of the ESOP 2025:**

- a) To motivate the Employees to contribute to the growth and profitability of the Company.
- b) To retain the Employees for the growth of the Organization, to provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company, to achieve sustained growth and the creation of Shareholders’ value by aligning the interests of the Employees with the long-term interests of the Company.
- c) To create a sense of ownership and participation amongst the Employees, to share the value they create for the Company in the years to come.

**2. Total number of stock options to be granted:**

Up to 7,13,770 (Seven Lakh Thirteen Thousand Seven Hundred and Seventy only) stock options, convertible into an equal number of fully paid-up equity shares of face value Rs. 1 each, not exceeding 20% of the issued and paid-up equity share capital of the Company as on the date of approval.

**3. Identification of classes of employees entitled to participate:**

The eligibility to participate and the beneficiaries in the ESOP 2025 is subject to such criteria as may be determined by the NRC, at its discretion, including, but not limited to, the grade of employees, the performance of employees, the present and potential contribution of the employee to the success of the Company, high market value/difficulty in replacing the employee, high risk of losing the employee to competition, value addition by the new entrant in the Company or in the group, including its Subsidiary Companies or Associate Companies, the performance ratings/metrics on the achievement of which the granted options would vest and which may be specified in the respective letters of grant to be issued to the grantee i.e. Eligible Employees.

**“Eligible Employees” shall mean:**

an employee as designated by the Company, who is exclusively working in India or outside

- a) Permanent employees (India or overseas) of the Company;
- b) Directors of the Company, whether whole-time or not, but excluding independent directors;
- c) Permanent employees and directors of subsidiary/holding companies as permitted under SEBI SBEB Regulations. Independent directors and promoters/promoter group are not eligible.

**4. Requirements of vesting and period of vesting:**

Vesting of options would be subject to continued employment with the Company. Options shall vest not earlier than 1 year from the date of grant.

Vesting shall be based on continued employment and/or achievement of performance parameters.

**5. Maximum period within which options shall be vested:**

The maximum period of Vesting shall be 3 years from the date of grant of respective Options.

Date of Vesting	Number of Options to be vested
Year 1 – on expiry of one year from the Grant Date	30% of Options granted to such Eligible Employee
Year 2 - on expiry of second year from the Grant Date	40% of Options granted to such Eligible Employee
Year 3 - on expiry of third year from the Grant Date	30% of Options granted to such Eligible Employee

Further, NRC may allow early vesting to the employee(s) in case of attaining certain milestones determined by the NRC from time to time.

**6. Exercise price or pricing formula:**

The exercise price shall be ₹1 per option (or) determined based on the average closing market price of the Company's equity shares on the stock exchange with highest trading volume during the 30 trading days preceding the grant date, as decided by the NRC.

**7. Exercise period purchase price or pricing formula & exercise period/offer period and process of exercise/acceptance of offer:**

Options vested may be exercised within a period of 5 years from the date of vesting.

The process shall be through an exercise application in prescribed form and payment of exercise price to the Company.

**8. The appraisal process for determining the eligibility of employees for the scheme(s);**

The NRC shall, based on the various criterion for selection of the Eligible Employees during the year (which criterion shall be decided from time to time by the NRC for assessing the contribution of the Employees) decide on the Eligible Employees who qualify under the Plan and the number of Options of the Company that may be issued to them.

Exceptional contributions to the growth of the company and its pursuit of excellence may be rewarded with a special grant of Options that will be governed by the same terms and conditions of Options granted under the Plan. In such an event, the NRC, acting with reference to a recommendation of the Chairman or Managing Director or the CFO of the CEO of the Company, may issue one or more grants of Options to Employees who have played a major role in this attainment.

Each Grant shall be evidenced by a written instrument duly executed by or on behalf of the Company

**9. Maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that may be granted to any one eligible employee shall not exceed 1% of the issued equity share capital of the Company at the time of grant without prior specific shareholder approval.

In aggregate, the Scheme shall not exceed the overall limit of 20% of the total Paid Up Equity Capital of the Company at the time of grant.

**10. Lock-in period, if any:**

Shares issued pursuant to exercise of vested options shall not be subject to any lock-in, except as may be prescribed under law.

**11. Method of option valuation:**

The Company shall adopt the fair value method for accounting in accordance with Ind AS 102 – Share-based Payments.

**12. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

The Company shall follow and conform to the applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time and/ or accounting policies as per the Act and/or Regulation 15 of the SEBI SBEB Regulations as applicable

**13. Adjustment for corporate actions:**

In the event of rights issue, bonus issue, stock split, merger, amalgamation, etc., the number and/or exercise price of options shall be adjusted in accordance with SEBI SBEB Regulations, without altering the overall value of benefits.

**14. Implementation & administration:**

The Scheme shall be implemented and administered directly by the Company under the supervision of the NRC. No trust route is envisaged at present.

**15. Terms & Conditions for buyback, if any, of specified securities covered under these regulations:**

The Company will have a right to buy back some or all the Options exercised prior to the Cause' event or Shares at the Exercise price by giving a call notice to the Employee, as may be determined by the NRC and as per the terms & conditions of the Plan.

**16. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:**

Company may issue New Shares subject to not exceeding maximum number of shares as prescribed in point No (2) above.

Further the secondary acquisition is not applicable in the present scheme.

**17. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.**

This is not applicable under the present scheme.

**18. Maximum percentage of secondary acquisitions (subject to limits specified under the regulations) that can be made by trust for the purposes of the scheme(s).**

This is not applicable under the present scheme.

Directors / Key Managerial Personnel of the Company / their relatives who may be granted stock options under ESOP 2025 may be deemed to be concerned or interested in the special resolutions set out in Item No. 7 & 8 of this Notice. Save as aforesaid, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said special resolutions.

**Item No. 9: Approve grant of loans, inter corporate deposits, give guarantees in connection with loans made by any person or body corporate and acquire by way of subscription, purchase or otherwise the securities of any other body corporate in excess of the limits prescribed in Section 186 of the Companies Act, 2013**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. ₹. 1250 Crores (Rupees One Thousand Two Fifty Crores Only) as proposed in the Notice.

The above proposal is in the interest of the Company and none of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested in the said resolution.

By the order of the Board  
ZR2 Bioenergy Limited

Sd/-  
Shital Gurav  
Company Secretary  
ACS No.: 73942

Date: 3<sup>rd</sup> September, 2025  
Place: Mumbai



### Details of the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting

[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

Sl. No.	Particulars	Details
1.	Name of the Director	Mr. Nilesh Jayant Jain
2.	Age	55 Years
3.	DIN	07588945
4.	Date of Birth	21 <sup>st</sup> April, 1970
5.	Date of first appointment on the Board	26 <sup>th</sup> July, 2024
6.	Qualifications	Mr. Nilesh Jayant Jain is Chemical Engineer from Wharton, USA.
7.	Expertise, skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Mr. Nilesh Jayant Jain is having experience of over 30 years as Business Entrepreneur with specific focus on Sustainable Development in Plastic/ Waste Sector.
8.	Other Directorships*	4
9.	Number of meetings of the Board attended during the year	1
10.	Details of remuneration last drawn	NIL
11.	Listed entities from which Director resigned in the past three years.	NIL
12.	Listed Companies (other than ZR2 Bioenergy Limited) in which he/she holds Directorship and Committee Membership**	NIL
13.	Shareholding in ZR2 Bioenergy Limited	NIL
14.	Relationship between Directors inter-se	Mr. Nilesh Jayant Jain is not related to any of the directors on the Board.

\*This includes private companies also.

\*\*includes only Audit Committee & Stakeholders' Relationship Committee

# BOARD'S REPORT

Dear Shareholders,

The Board of Directors of ZR2 Bioenergy Limited (the "Company") are pleased to present the 86<sup>th</sup> Annual Report and the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 ("Financial year under review").

## 1. FINANCIAL PERFORMANCE:

The Company's financial performance for the financial year ended 31<sup>st</sup> March 2025 as compared to the previous financial year ended 31<sup>st</sup> March 2024 is summarized below:

Particulars	Standalone		Consolidated
	2024-25	2023-24	2024-25
<b>Income</b>			
Revenue From Operations	149.45	157.37	149.45
Other Income	62.27	31.44	64.27
<b>Total Income</b>	<b>211.72</b>	<b>188.81</b>	<b>213.72</b>
<b>Expenses</b>			
Operating Cost	125.60	132.24	125.60
Employee Benefits Expense	18.11	1.35	18.11
Finance Costs	0.01	19.36	0.01
Depreciation and Amortization Expense	4.35	0.14	4.35
Other Expenses	44.26	12.18	45.46
<b>Total Expenses</b>	<b>192.33</b>	<b>165.27</b>	<b>193.53</b>
Profit Before Tax and Exceptional Items	<b>19.40</b>	<b>23.54</b>	<b>20.19</b>
Exceptional items	-	14.56	-
<b>Profit/(Loss) before Tax</b>	<b>19.40</b>	<b>38.10</b>	<b>20.19</b>
Current Tax	-	2.67	-
Deferred Tax	11.17	(3.49)	11.17
<b>Profit/(Loss) after Tax</b>	<b>8.22</b>	<b>38.92</b>	<b>9.02</b>
<b>Other comprehensive income</b>	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>8.22</b>	<b>38.92</b>	<b>9.02</b>

*The Company did not have any subsidiary from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024. Accordingly, the requirement to present consolidated financial statements is not applicable, and hence consolidated figures have not been provided for the FY 2023-24.*

The Company has prepared the Financial Statements in accordance with Indian Accounting Standards ("IND AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended.

### A. SUBSIDIARY, ASSOCIATES AND JOINT VENTURES:

During the financial year under review, your Company incorporated a wholly owned subsidiary Company i.e. ZR2 Solar Private Limited on 4<sup>th</sup> October, 2024. Further the company does not have any associates and joint venture company.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements and a separate statement containing the salient features of financial statement of subsidiary in Form AOC-1, as **Annexure I** which forms part of this Report.

### B. TRANSFER TO RESERVES:

Your Company has not transferred any amount to General Reserve during the financial year under review.

### C. OPERATIONS AND FUTURE OUTLOOK:

For the Financial Year ended 31<sup>st</sup> March, 2025, your Company earned total revenue of ₹149.45 Lakhs as against total revenue of ₹157.37 lakhs in the previous Financial Year ended 31<sup>st</sup> March, 2024.

Due to awaiting of formal execution of BOOT (Build–Own–Operate–Transfer) Agreement, currently Company has not commenced its manufacturing activities. However, the same are expected to start by end of this Financial Year. Detailed note w.r.t. This is mentioned in the subsequent parts of this report.

**D. STATE OF COMPANIES AFFAIRS:**

- **OPEN OFFER AND CHANGE IN MANAGEMENT:**

M/s. ZR2 Group Holdings Limited as Acquirer have entered into a Share Purchase Agreement (“SPA”) dated 10<sup>th</sup> May, 2024 with the promoters and promoter group of the Company for acquisition of 21,75,640 (Twenty One Lakhs, Seventy Five Thousand and Six Hundred Forty) Equity Shares (“Sale Shares”) of Face Value of ₹1/- each representing 60.96% of the paid up and voting Equity Share capital of the Company.

The Acquirers made an open offer to the public shareholders under the SEBI (SAST) Regulations, 2011 and acquired control of the Company. Further M/s. ZR2 Group Holdings Limited has acquired the Equity Shares of old promoters and became the promoters of the Company through an open offer in accordance with SEBI (SAST) Regulations, 2011. The Company has been taken over by new promoters and management from 26<sup>th</sup> July, 2024.

- **CHANGE IN THE NAME OF THE COMPANY:**

Subsequent to the takeover by the new Management your company has changed its name from ‘GUJCHEM DISTILLERS INDIA LIMITED’ to ‘ZR2 BIOENERGY LIMITED’ to align it with the new object and promoters. The Registrar of the Companies approved the new name on 27<sup>th</sup> March, 2025.

- **AMENDMENT IN THE OBJECT CLAUSE OF THE MEMORANDUM:**

Pursuant to the Special Resolution passed by the Member through Postal Ballot, Company has amended its Memorandum of Association (MOA) to remove few clauses of the ‘Object Clause’ not aligning with the new business.

- **COMMENCEMENT OF PRODUCTION:**

The Company, subsequent to the takeover by the new management, is yet to commence the Bioenergy business. This is primarily on account of the pending execution of the formal BOOT (Build–Own–Operate–Transfer) Agreement for which in principle approval has been received from the Government of Maharashtra and few additional approvals are yet to be received.

The management is actively pursuing the matter with the concerned authorities and expects to conclude the agreement in due course. The commencement of production activities will be initiated immediately thereafter.

**E. SHARE CAPITAL:**

During the year under review, there was no change in the authorized and paid-up share capital of your Company. The authorized share capital of your Company is ₹10,00,00,000 and paid-up Equity Share capital is ₹35,68,850.

**Raising funds by issuance of Compulsory Convertible Debentures and Warrants, convertible into Equity Shares on a private placement basis:**

Pursuant to the Shareholders’ approval received at the Extra-ordinary General Meeting held on 08<sup>th</sup> June, 2024, your Company has issued-

- 1,23,50,000 Compulsory Convertible Debentures of ₹65 each at par aggregating to ₹80,27,50,000 and
- 2,59,22,000 Convertible Warrants of Face value of ₹1 each at a premium of ₹64 each aggregating to ₹168,49,30,000.

**F. DIVIDEND:**

To conserve resources, the Company did not recommend any dividend during the financial year 2023–24. However, the Board has recommended a final dividend of ₹0.10 per equity share (i.e., 10% on the face value of ₹1 each), subject to the approval of shareholders at the forthcoming Annual General Meeting.

**G. DEPOSITS FROM PUBLIC:**

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as of 31<sup>st</sup> March, 2025.

**H. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Full particulars of investments, loans, guarantees and securities covered under Section 186 of the Companies Act 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 provided during the financial year under review has been furnished in Note 3 of the Notes to Accounts of Standalone Financials which forms part of the financials of the Company.

The proceeds of investment shall be utilized for the principal business activities and general corporate purpose by the recipient.

**I. LOANS FROM DIRECTORS OR DIRECTORS' RELATIVES:**

During the financial year under review, the Company has not accepted or availed any loans, advances, or borrowings from its Directors or their relatives.

**J. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of the Company is constituted with an optimum combination of Executive Directors, Non-Executive Directors and Independent Directors to maintain independence of the Board. As on the 31<sup>st</sup> March, 2025, the Board consists of 1 (one) Executive Director and 3 (one) Non-Executive Directors out of which 2 (two) are Independent Directors and one is Non-Executive Non-Independent Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

During the year under review, the composition of the Board of Directors underwent the following changes in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company:

**Appointments:**

Name	Designation	Effective date
Mr. Jimmy Olsson	Managing Director	26 <sup>th</sup> July, 2024
Mr. Nilesh Jayant Jain	Non-Executive Non-Independent Director	26 <sup>th</sup> July, 2024
Ms. Nirupama Charuhas Khandke	Independent Director	26 <sup>th</sup> July, 2024

**Resignations / Cessations:**

Name	Designation	Effective date
Mr. Sagar Samir Shah	Chairman & Director	26 <sup>th</sup> July, 2024
Ms. Viraj Varun Sheth	Whole Time Director	26 <sup>th</sup> July, 2024
Ms. Rajasvee Sagar Shah	Non-Executive Director	26 <sup>th</sup> July, 2024
Ms. Barkha Balkrushnan Deshmukh	Independent Director	26 <sup>th</sup> July, 2024

**Retirements and Reappointments:**

In accordance with Section 152(6) of the Companies Act, 2013, Mr. Nilesh Jayant Jain (DIN: 07588945) Non-Executive Non-Independent Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

**Changes in Key Managerial Personnel (KMP)**

Name	Designation	Appointment/Cessation	Effective date
Mr. Samir Rohitbhai Shah	Chief Financial Officer	Cessation	14 <sup>th</sup> August, 2024
Mr. Mahendra Agarwal	Chief Financial Officer	Appointment	14 <sup>th</sup> August, 2024
Ms. Bhoomika Mangal	Company Secretary	Appointment	10 <sup>th</sup> May, 2024
Ms. Bhoomika Mangal	Company Secretary	Cessation	2 <sup>nd</sup> January, 2025
Ms. Palak Jain	Company Secretary	Appointment	1 <sup>st</sup> February, 2025
Ms. Palak Jain	Company Secretary	Cessation	28 <sup>th</sup> February, 2025
Mr. Jimmy Olsson	Managing Director	Appointment	26 <sup>th</sup> July, 2024
Ms. Viraj Varun Sheth	Whole Time Director	Cessation	26 <sup>th</sup> July, 2024

**K. MEETINGS OF THE BOARD AND ITS COMMITTEES:****I. Board Meetings:**

The Board meets at regular intervals, inter-alia, to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met eleven times.

Further details on the Board Meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**II. Audit Committee:**

The Board of Directors has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

Further details on the Audit Committee, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

**III. Nomination, Remuneration and Compensation Committee:**

The Board of Directors has constituted a Nomination, Remuneration Committee ("NRC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

The NRC has formulated a policy on remuneration under the provisions of Section 178(3) of the Act, and the same is uploaded on the website of the Company at <https://gujchemdistillers.in/wp-content/uploads/2025/08/8.-Nomination-and-Remuneration-Policy.pdf>

Further, details on the NRC its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

**IV. Stakeholders Relationship Committee:**

The Board of Directors has constituted a Stakeholders Relationship Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

Further details on the Stakeholders Relationship Committee, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

**L. SECRETARIAL STANDARDS:**

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1<sup>st</sup> October, 2017. The Company is in compliance with the provisions of the same.

**M. DISCLOSURE FROM INDEPENDENT DIRECTORS:**

All Independent Directors have submitted the declaration of Independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold the highest standards of integrity.

The Independent Directors have also confirmed their registration with the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in compliance with requirements of the Companies (Appointment and Qualification of Directors) Rules, 2014.

**N. BOARD EVALUATION:**

The evaluation framework for assessing the performance of the Directors of the Company comprises of contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of the Company, amongst others.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the Board of Directors have carried out an annual performance evaluation of the Board as-a-whole, performance of various Committees of the Board, and Individual Directors. A separate meeting of the Independent Directors was also held during the financial year under review for the evaluation of the performance of Non-Independent Directors, and performance of the Board as a whole. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report, which forms part of this Annual Report.

**O. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. Are furnished in **Annexure II** which forms part of this Report.

**P. STATUTORY AUDITORS AND AUDITORS' REPORT:**

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Bagaria & Co LLP, Chartered Accountants, Firm Registration No. 11344W/W100019 was appointed as statutory auditors of the Company to hold office for one term of 5 years till the conclusion of 89<sup>th</sup> Annual General Meeting of the Company.

The Auditors have issued their report on the financial statements for the financial year ended 31<sup>st</sup> March, 2025, with an unmodified opinion.

**Q. REPORTING OF FRAUD:**

The Auditors have not reported any fraudulent matter under Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act, 2013.

**R. SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ritika Agarwal & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company and to issue Secretarial Audit Report for the financial year ended on 31<sup>st</sup> March, 2025.

The Secretarial Audit Report issued by M/s Ritika Agarwal & Associates for the financial year ended 31<sup>st</sup> March, 2025 is set out as "**Annexure III**" to this Report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**S. MAINTENANCE OF COST RECORDS:**

The maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules 2014 is not applicable to the Company.

**T. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

**U. RISK MANAGEMENT:**

The requirement of Risk Management Committee under Regulation 21 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 is not applicable to the Company as the same is applicable to top 1,000 listed entities. The Company has in place a Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Internal Audit function provides independent assurance on the effectiveness of risk controls, and its findings are reported to management and the Audit Committee for corrective action and continuous improvement.

There are no risks which in the opinion of the operating management threaten the existence of your Company.

**V. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. However, this requires improvement under new business environment. The Company is constantly improving the quality and implementing more internal financial controls. The Internal Auditor monitors and evaluates operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, the Audit Committee/ Board initiate corrective action in respective areas and advise the operating people about the action taken on such report and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.



**W. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a vigil mechanism named Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015. The policy deals with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

**X. RELATED PARTY TRANSACTIONS:**

During the financial year under review, all transactions entered into by the Company with related parties were in ordinary course of business and at arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations. Hence, disclosure in form AOC-2 under Section 134(3)(h) of the Act, read with Rule 8 of the Companies (Accounts of Companies) Rules, 2014, is not applicable.

Prior approval of the Audit Committee is obtained for all Related Party Transactions ("RPTs") which are of a repetitive nature and entered into in the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of RPTs are submitted to the stock exchanges on a half-yearly basis and published on the Company's website at <https://gujchemdistillers.in/wp-content/uploads/2025/08/9.-RPT-Materiality-Policy.pdf>

There were no material transactions entered into with related parties during the period under review, which may have had any potential conflict with the interests of the Company at large. The details of transactions with related parties of the Company for the financial year under review, are given in Notes to the Financial Statements, which forms part of this Annual Report.

The policy on Related Party Transactions is available on the Company's website <https://gujchemdistillers.in/wp-content/uploads/2025/08/9.-RPT-Materiality-Policy.pdf>

**Y. CORPORATE GOVERNANCE**

The Corporate Governance provisions i.e. Regulation 17 to 27 become applicable to the Company w.e.f. 13<sup>th</sup> August, 2024.

Pursuant to Schedule V of Listing Regulations, Management Discussion and Analysis, Corporate Governance Report and Certificate issued by Secretarial Auditor regarding compliance of conditions of Corporate Governance forms part of the Annual Report. A declaration signed by the Managing Director regarding compliance with the Code of Conduct by the Board Members and Senior Management Personnel also forms part of the Annual Report. Code of Conduct and various other policies are available on the website of the Company.

**Z. ANNUAL RETURN:**

Pursuant to Section 134(3)(a) of the Act, the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended 31<sup>st</sup> March, 2025, will be available on the Company's website and can be accessed at : <https://gujchemdistillers.in/investor-relations/annual-return/>

**AA. PARTICULARS OF EMPLOYEES:**

The Directors sincerely appreciate efforts put in by employees of the Company at all levels and thank them for their contribution in achieving the overall results during the year.

Disclosure pertaining to the remuneration and other details as required under Section 197(2) of the Companies Act 2013 and Rule, 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as "Annexure IV" to this report.

**BB. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company hereby confirms that it has constituted an Internal Complaints Committee (ICC) to redress complaints of sexual harassment at the workplace. The Company has also complied with the provisions relating to the constitution and functioning of the ICC during the reporting year.

**Further, the details of complaints received and their disposal status during the year are as under:**

- (a) Number of complaints of sexual harassment received during the year: **NIL**
- (b) Number of complaints disposed off during the year: **NIL**
- (c) Number of cases pending for more than ninety days: **NIL**

**CC. Compliance with the provisions relating to the Maternity Benefits Act, 1961:**

We hereby affirm that the Company has duly provided for the benefits as prescribed under the Maternity Benefit Act, 1961, and stands compliant with its provisions. However, during the period under review, no woman employee of the Company has availed such benefits.

**DD. DIRECTORS' RESPONSIBILITY STATEMENT:**

Based on the framework and testing of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by Management and the relevant Board Committees, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25. Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, based on the assurance given of the business operations, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- vi. they have devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**EE. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNAL**

No significant and material orders were passed by the Regulators or the Courts or Tribunals impacting the going concern status and the Company's operations in future.

**FF. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:**

Except as otherwise mentioned in this report, there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statements relates and the date of this report.

There is no other change in the nature of business during the year under review.

**GG. OTHER DISCLOSURE:**

- A Business Responsibility and Sustainability Report as required under Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 is not applicable to the Company as the same is applicable for top 1000 listed entities based on market capitalization.
- Dividend Distribution Policy as required under Regulation 43A of SEBI (Listing Obligations and Disclosures Requirements Regulation, 2015 is not applicable to the Company.
- There were no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as of 31<sup>st</sup> March, 2025.
- During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:
  - a) issue of Equity Shares with differential voting rights as to dividend, voting or otherwise;
  - b) issue of shares (including sweat Equity Shares) to employees of the Company under any scheme;
  - c) raising of funds through preferential allotment or qualified institutional placement;
  - d) instance of one-time settlement with any bank or financial institution.

**APPRECIATION:**

The Directors place on record their appreciation for the exemplary contribution made by the employees of the Company at all levels. Their dedicated efforts and enthusiasm have been pivotal to the Company's growth.

The Board would also like to express sincere appreciation for the continued support from Depositories, Depository Participants, Bankers, Registrars & Transfer Agents, Distributors & Agents, Central and State Governments and other Regulatory Bodies, business associates & other service providers and the Shareholders who have always supported and helped the Company to achieve its objectives.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 3<sup>rd</sup> September, 2025**

**Nirupama Khandke**  
**Independent Director**  
**DIN: 01605060**

**Jimmy Olsson**  
**Chairman & Managing Director**  
**DIN: 06891122**

## Annexure I

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

## Part A – Subsidiaries

Sl. No.	Particulars	ZR2 Solar Private Limited
1.	The date since when subsidiary was acquired	4 <sup>th</sup> October, 2024
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
4.	Share capital	₹10,00,000
5.	Reserves and surplus	₹80,000
6.	Total assets	₹17,03,000
7.	Total Liabilities	₹17,03,000
8.	Investments	-
9.	Turnover	₹2,00,000
10.	Profit before taxation	₹80,000
11.	Provision for taxation	-
12.	Profit after taxation	₹80,000
13.	Proposed Dividend	-
14.	Extent of shareholding (in percentage)	100%

- Names of subsidiaries which are yet to commence operations: **NIL**
- Names of subsidiaries which have been liquidated or sold during the year: **NIL**

## Part B – Associates and Joint Ventures: Not Applicable

## Annexure II

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

CONSERVATION OF ENERGY: NIL

TECHNOLOGY ABSORPTION: NIL

RESEARCH &amp; DEVELOPMENT: NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in lakhs)

	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
<b>Earnings in Foreign Exchange</b>	-	-
Air Freight Billing, and other expenses (Net)	-	-
<b>TOTAL</b>	-	-
<b>Expenditure in Foreign Currency</b>	-	-
Membership and Subscription Fees	-	-
Travelling (excluding air fare)	-	-
<b>TOTAL</b>	-	-

**Annexure III**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED  
31<sup>ST</sup> MARCH 2025**

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

To,

**The Members**

**ZR2 BIOENERGY LIMITED**

(Formerly known as Gujchem Distillers India Limited)

Plot No. 314307 Ashirwad Paras-1, S. G. Highway

Makarba, Ahmedabad 380 051

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ZR2 BIOENERGY LIMITED** (Formerly known as **Gujchem Distillers India Limited**), (hereinafter called the "Company"). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 ('SEBI Act') :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit period);**
  - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity Shares) Regulations, 2021: **(Not applicable to the Company during the Audit period);**
  - (g) The Securities and Exchange Board of India SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and: **(Not applicable to the Company during the Audit period);**
  - (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client: **(Not applicable to the Company during the Audit period);**

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

- (i) Secretarial Standards with respect to Meetings of the Board of Directors (SS1) and General Meetings (SS2) issued by The Institute of Company Secretaries of India
- (ii) SEBI (LODR), regulations, 2015 as amended from time to time.



I hereby report that, during the Review Period:

The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

However, the Company reported the outcomes of the Board Meetings beyond the prescribed time as detailed hereinbelow:

1. Disclosure of alteration in the Memorandum of Association (Object Clause), approved in the Board Meeting held on 10<sup>th</sup> May 2024 (subject to Members' approval), was made to the Stock Exchange on 15<sup>th</sup> May 2024, instead of on the same day within 30 minutes of the conclusion of the meeting, as prescribed under Regulation 30(6) of the SEBI (LODR) Regulations, 2015.
2. It was noted that the outcome of the Board Meeting held on 5<sup>th</sup> October 2024, wherein the financial results for the quarter ended 30<sup>th</sup> September 2024 were approved, was disclosed to the Stock Exchange on 6<sup>th</sup> October 2024, instead of on the same day within 30 minutes of the conclusion of the meeting, as prescribed under Regulation 30(6) of the SEBI (LODR) Regulations, 2015. .

#### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the respective minutes of the Meetings. The circular resolutions passed by the Board of Directors of the Company were approved with requisite majority.

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

I further report that during the year under report, the following event(s)/action(s) had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to herein above:-

- (i) The Company issued the 2,59,22,000 Convertible Warrants of face value of ₹1/- each at premium of ₹64/- on preferential allotment basis to Promoter and Strategic Investors. Further the Company allotted 2,59,22,000 Convertible Warrants of face value of ₹1/- each at premium of ₹64/- on preferential allotment basis to Promoter and Strategic Investors on board meeting held on 13<sup>th</sup> August, 2025.
- (ii) The Company issued 1,23,50,000 Compulsory Convertible Debentures ("CCDs") of Face value of ₹65/- each at par on preferential allotment basis to Acquirer alias Promoter on board meeting held on 13<sup>th</sup> August, 2025.
- (iii) The Name of the Company has been changed from **Gujchem Distillers India Limited** to **ZR2 Bioenergy Limited** vide Special Resolution passed by Postal Ballot under Section 110 dated 03<sup>rd</sup> March, 2025. The Change of Name of the Company led to the alteration of the existing Clause I of the Memorandum of Association of the Company and subsequently the name of the Company is also altered in the Article of Association of the Company.
- (iv) The Main object Clause of the Memorandum of Association of the Company has been altered vide Special Resolution passed by Postal Ballot under Section 110 dated 03<sup>rd</sup> March, 2025.

The change in the main object of the Company led to the alteration of the existing Clause III (A) of the Memorandum of Association of the Company.

For Ritika Agrawal & Associates

Place: Mumbai  
Date: 3<sup>rd</sup> September, 2025

Ritika Agrawal  
Proprietor  
M. No. 8949  
COP No. 8266  
UDIN: F008949G000497558

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

**Annexure to the Secretarial Audit Report**

To,  
The Members,  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)  
Plot No. 314307 Ashirwad Paras-1, S. G. Highway,  
Makarba, Ahmedabad 380 051

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Ritika Agrawal & Associates**

**Place: Mumbai**  
**Date: 3<sup>rd</sup> September, 2025**

**Ritika Agrawal**  
**Proprietor**  
**M. No. 8949**  
**COP No. 8266**

**UDIN: F008949G000497558**

## Annexure IV

## PARTICULARS OF REMUNERATION OF EMPLOYEES AND RELATED DISCLOSURES

[Pursuant to Sub-Section 12 of Section - 197 of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Sl. No.	Requirement	Disclosure	
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.*	Name of Director	Ratio
		NA	NA
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year.	Name of Director/ CEO/ CFO/CS	Percentage increase in their remuneration during the Financial Year ended 2025
		Mahendra Agarwal	No increase during the year
3.	The percentage increase in the median remuneration of employees in the Financial Year	Not Applicable.	
4.	Number of permanent employees on the rolls of Company at the end of Financial Year	5 Employees	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not Applicable**	
6.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	The Company affirms that the remuneration paid was as per the Remuneration policy of the Company.	
7.	A statement containing names of top ten employees, in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Not applicable since no employee has drawn remuneration exceeding the prescribed limit.	

\* No remuneration has been paid to any director during the year under review.

\*\* All employees and Key Managerial Personnel (KMPs) of the Company were appointed during the financial year, subsequent to the takeover by the new management. The remuneration of the said employees and KMPs has remained unchanged and there has been no increase up to 31<sup>st</sup> March, 2025.

# MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDAR)

## 1. Corporate & Business Overview – Rebranding & Foundational Steps

- In FY 2024-25, Gujchem Distillers India Ltd was renamed ZR2 Bioenergy Ltd, reflecting a strategic pivot towards bioenergy and green hydrogen.
- The company entered into an MOU to execute a BOOT Agreement to take over a canebased biorefinery and an integrated biogas plant and associated assets from Pravara Sugar Factory, plus two separate land parcels on longterm lease for 29 years (*15 years extendable by 14 years*).
- The acquisition includes a fully operational distillery/ethanol/ENA/raw biogas/MEE/RO plant and skilled employees, enabling seamless operational continuity.
- Additionally, ZR2 leases two land parcels of 82.75 acres and 24.48 acres for expansion– all part of a comprehensive integrated bioenergy strategy (in BOOT Arrangements)

## 2. Industry Structure & Trends – National Context & Government Policies

- India's ethanol blending reached a record 14.6% in CY 2023-24, with average blending rising to nearly 19% in early 2025, courtesy of strong E20 policy momentum.
- Ethanol blending is projected to exceed 10 billion litres by CY 2025-26, targeting national E20 goals and deeper energy independence.
- From 2014 to date, the EBP programme has saved over ₹1 lakh crore in foreign exchange and cut ~544 lakh tonnes of CO<sub>2</sub> emissions.
- Incentives include:
  - Subsidies and interest subvention schemes (EISS),
  - Longterm offtake agreements with OMCs,
  - SATAT Biogas scheme
- Feedstock diversification is accelerating: grain-based ethanol now constitutes ~40% of capacity; maize, broken rice, and cane syrup are aggressively promoted to balance water stress and food security concerns.
- Despite challenges - such as general static procurement pricing amid rising raw material costs and infrastructure gaps - the outlook remains robust. Growth prospects are underpinned by the IMARC Growth forecast, projecting a CAGR of ~14.4% (2025–33) from the current base of USD 9 billion in 2024-25.

## 3. Detailed Operational & Expansion Milestones

### 3.1. Acquisition & Corporate Transformation

- Completed acquisition and rebranding from Gujchem Distillers, including formal inprinciple approval for BOOT t biorefinery and land; BOOT agreement expected once mutually formalised.
- Transferred workforce of existing employees, ensuring expert operations.

### 3.2. Fundraising & Balance Sheet Strengthening

- Raised equity via Preferential Issue of Compulsory Convertible Debentures (CCDs) and Warrants, fully subscribed by promoter (ZR2 Group) and public investors.
- No external debt taken; legacy liabilities cleared, ensuring a clean capital structure with future equity infusion assured if needed.

### 3.3. Phase-wise Business Roadmap

Phase	Activities
<b>Phase I</b>	Operate the existing cane-based biorefinery; stabilize operations; Environmental Clearance Approval obtained; land secured for expansion
<b>Phase II</b> (FY 202526)	Expand ethanol capacity; upgrade existing biogas plant; implement Zero Liquid Discharge (ZLD) via ATFD (powder); install biopotash recovery; expand MEE capacity, build W2E cogeneration unit
<b>Phase III</b> (FY 202627)	Develop solar plant; green hydrogen plant, linked to BPCL pipeline; Additional refinery capacity expansion

- Environmental Clearance already granted for Phase II assets and expansion; No further extension needed for solar plant, hydrogen plant, MEE plant, ethanol and W2E co-generation plant

## 4. Sustainability & ESG Imperatives

- Commitment to Zero Liquid Discharge (ZLD) aligns with CPCB norms and best industry practice (as applied by leading distilleries like Radico Khaitan)
- The biopotash powder generated from ATFD will enable an additional revenue stream while enhancing rural agricultural productivity.
- Cogeneration, solar and CBG/hydrogen integration ensures minimal carbon footprint and energy reuse within operations.
- Plans to collaborate with local farmers for feedstock procurement extend the circular rural bioeconomy model, supporting income stability and rural welfare.

## 5. Financial Performance & Capital Structure

- Phase I entirely financed through private equity instruments (CCDs and Warrants), with further details provided in the notes to accounts. The outstanding warrants are required to be converted by the end of February 2026.
- No financial leverage; no debt incurred in acquisition phase.
- The Company retains financial flexibility, with the Promoter (ZR2 Group) prepared to infuse additional capital for Phase II and Phase III expansions during the later part of the current financial year, as may be required."
- Cash flow projections indicate an early breakeven for Phase II expansions, driven by improved efficiency, a diversified revenue mix (ethanol, CBG, hydrogen, bio-potash, and power exports), assured feedstock availability, and firm off-take commitments from OMCs and Government agencies, providing strong protection to the bottom line.

## 6. Opportunities, Risks & Outlook

### Opportunities

- Benefiting from the National Policy on Biofuels and E20/E30 roadmap; by 2030 India may target 30% ethanol blending boosting demand further
- Assured feedstock from co-location and BOOT Arrangement.
- Integration with green hydrogen and CBG opens new low-carbon fuel avenues; first-mover advantage in hydrogen–CBG blending directly integrated with City gas distribution (CDG) network located 1.5 kms from the plant.
- Additional revenues from exportable power, bio-potash, and potential industrial ethanol sales.

### Risks & Mitigations

- **Feedstock price volatility:** mitigated via diversified sourcing (cane + grain) and long-term procurement agreements.
- **Policy risk:** Ethanol prices linked to administered pricing mechanism offset by integrated bio-refinery operations.
- **Environmental constraints:** ZLD compliance, water usage, and sustainability are central to design.

### Outlook

ZR2 Bioenergy Ltd is firmly aligned with India's energy transition roadmap. By executing Phasewise expansions and adhering to sustainability and regulatory standards, ZR2 is wellpositioned to capitalize and unlock value in the bioenergy industry, delivering not only shareholder value but also enabling sustainable rural development and farmer participation.

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

At **ZR2 Bioenergy Limited**, our philosophy on governance is rooted in transparency, accountability, and sustainability, reflecting our commitment to creating long-term value for all stakeholders. As a Bioenergy manufacturing company, we believe good governance goes beyond regulatory compliance and is integral to building trust, ensuring ethical conduct, and fostering innovation. We uphold the highest standards of disclosure and integrity, guided by a stakeholder-centric approach that respects the interests of farmers, communities, employees, customers, regulators, and investors alike. Our Board provides effective oversight, ensuring that decisions align with our mission of environmental stewardship, operational excellence, and contribution to India's renewable energy and rural development goals. By aim to integrating Environmental, Social, and Governance (ESG) principles into our business strategy, we seek to operate responsibly, drive sustainable growth, and contribute to a cleaner, greener, and self-reliant future.

Manufacturing Operations are yet to be started. This is primarily on account of the pending execution of the formal BOOT (Build–Own–Operate–Transfer) Agreement for which in principle approval has been received from the Government of Maharashtra, however few additional approvals are yet to be received.

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**SEBI Listing Regulations**"), the compliance details for the year ending 31<sup>st</sup> March, 2025, are outlined as follows:

## 2. BOARD OF DIRECTORS:

### The Composition of the Board:

The Board of Directors ("**Board**") of the Company comprises of an optimal combination of Executive and Non-Executive Directors, including an Independent Woman Director in accordance with the provisions of the Companies Act, 2013 ("**the Act**") and the SEBI Listing Regulations, as amended from time to time. As of the end of the financial year 2025, the Board consists of Four Directors, of which two are Non-Executive Independent Directors and one is Non-Executive Non-Independent and one is Executive Director who also serves as the Chairperson. The members of the Board bring a diverse professional expertise from various fields such as technical, business strategy, management, and marketing.

The Board Members does not have any conflict of interest and relation interse.

The Independent Directors of the Company have no conflict of interest or material pecuniary relationships or transactions with the Company, its Promoters, or Management that could affect their independent judgment. Each Director brings extensive qualifications and rich experience in industrial, managerial, business, finance, marketing, and corporate management, enabling them to contribute meaningfully to the Board and its Committees. They consistently attend meetings and participate actively in deliberations, providing valuable guidance to Management on strategy, policy, governance, and compliance, thereby strengthening the overall decision-making process of the Board.

The Board defines comprehensive corporate objectives and provides Management with both strategic guidance and operational autonomy to achieve them, thereby fostering sustainable and profitable growth. It convenes regular quarterly meetings to review financial results, operational performance, and other key matters. The Board further affirms that the Independent Directors fulfill the independence criteria prescribed under the Act and SEBI Listing Regulations, ensuring their complete autonomy from Management.

None of the Directors on the Board serve on more than ten Committees or act as Chairperson of more than five Committees (limited to the Audit Committee and Stakeholders Relationship Committee) across all Indian Public Companies in which they hold Directorships, and all have duly disclosed their committee positions. No Director holds office in more than ten Public Companies, and none of the Independent Directors serve as an Independent Director in more than seven Listed Companies. Further, all Directors are in full compliance with the limits on Independent Directorships in Listed Companies as prescribed under Regulation 17A of the SEBI Listing Regulations.

During the financial year under review, the Board met Eleven times on 10<sup>th</sup> May, 2024, 24<sup>th</sup> May, 2024, 26<sup>th</sup> July, 2024, 13<sup>th</sup> August, 2024, 14<sup>th</sup> August, 2024, 9<sup>th</sup> September 2024, 5<sup>th</sup> October, 2024, 29<sup>th</sup> October, 2024, 28<sup>th</sup> January, 2025, 13<sup>th</sup> February, 2025 and 31<sup>st</sup> March, 2025



**Composition/ Category of Directors/ Attendance at Meetings as on 31<sup>st</sup> March, 2025:**

Name of the Director	Category of the Director	Shares held in the Company	No. of Board Meeting attended	Attendance of the last AGM
Mr. Jimmy Olsson	Executive Director -Chairperson	-	9	Yes
Mr. Sunil Kondiba Kalhapure	Non-Executive -Independent Director	-	9	Yes
Mrs. Nirupama Charuhas Khandke	Non-Executive -Independent Director	-	9	Yes
Mr. Nilesh Jayant Jain	Non-Executive – Non-Independent Director	-	1	Yes
Mr. Sagar Samir Shah*	Executive Director	-	2	NA
Ms. Viraj Varun Sheth*	Executive Director	-	2	NA
Ms. Rajasvee Sagar Shah*	Non-Executive Director	-	2	NA
Ms. Barkha Balkrushnan Deshmukh*	Non-Executive –Independent Director	-	2	NA

\* Sagar Samir Shah, Viraj Varun Sheth, Rajasvee Sagar Shah & Barkha Balkrushnan Deshmukh had resigned w.e.f. 26<sup>th</sup> July, 2024 due to change in the management & not associated with the Company as on AGM date.

**Number of directorships / committee memberships held by the Directors of the Company in other Companies including the names of the other listed entities where the Director is a Director and the category of their directorship as on 31<sup>st</sup> March, 2025:**

Name of the Director	Number of Directorships	Names of other Listed Companies in which he/ she holds Directorship	Category of Directorship in other listed Companies	No. of Committee positions held in other Public Companies*	
				As Chairperson**	As Member**
Mr. Jimmy Olsson	7	-	-	-	-
Mr. Sunil Kondiba Kalhapure	3	-	-	-	-
Mrs. Nirupama Charuhas Khandke	4	-	-	-	-
Mr. Nilesh Jayant Jain	5	-	-	-	-

\*Comprises of Directorships held in Public Limited Company Excludes Directorship and Committee Chairpersonship / membership in Private Companies, Foreign Companies, Section 8 Companies and ZR2 Bioenergy Limited.

\*\* Only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the SEBI Listing Regulations

**Confirmation on the independence of the Independent Directors:**

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company and your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under Section 149 of the Companies Act, 2013. A sample of the same is available on the website of the Company i.e. <https://guichemdistillers.in/wp-content/uploads/2025/08/11-Specimen-Appointment-Letter-of-ID.pdf>

The Board of Directors hereby confirms that in their opinion, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of Management.

**Resignation of Independent Director:**

During the year under review, Ms. Barkha Balkrushnan Deshmukh (DIN: 08562935), Independent Director, who was appointed on 18<sup>th</sup> June, 2022 for a period of five years to hold office till 17<sup>th</sup> June, 2027, has resigned with effect from 26<sup>th</sup> July, 2024, due to change in the management of the Company. The Company has received confirmation from her that there are no other material reasons for her resignation other than those stated above.

**Separate Meeting of Independent Directors:**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, the Independent Directors Meeting of the Company was held on 13<sup>th</sup> February, 2025 without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the SEBI Listing Regulations.

Mrs. Nirupama Charuhas Khandke Chaired the meeting of Independent Directors.

**Attendance of Independent Directors in Independent Directors Meeting:**

Directors	Meeting held	Meeting Attended
Ms. Nirupama Charuhas Khandke	1	1
Mr. Sunil Kondiba Kalhapure	1	1

The familiarization programme for Independent Directors in terms of listing regulations is uploaded on the website of the Company and can be accessed through the following link: [https://gujchemdistillers.in/wp-content/uploads/2025/08/2.-Familiarisation-Programme\\_24-25.pdf](https://gujchemdistillers.in/wp-content/uploads/2025/08/2.-Familiarisation-Programme_24-25.pdf)

**Performance Evaluation:**

The Nomination and Remuneration Committee has established clear criteria for the performance evaluation of the Board of Directors. In line with these criteria, the Board conducted its annual evaluation, assessing its own performance, that of individual Directors, and the functioning of its Committees. A structured questionnaire, designed based on inputs from the Directors, covered various aspects of the Board's effectiveness and operations. Separate evaluations were undertaken for individual Directors, including the Chairperson, based on defined parameters. The performance of Independent Directors was evaluated by the entire Board, while the Chairperson and Non-Independent Directors were evaluated by the Independent Directors. Overall, the Directors expressed satisfaction with the evaluation process and its outcomes.

**Board Diversity and Expertise:**

The Board comprises of persons with varied experience in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess:

Skills / expertise / competence	Names of the Directors who have such skills / expertise / competence
Commercial & Operational	Jimmy Olsson Nilesh Jain Sunil Kalhapure
Accounting, Tax, Audit & Finance	Jimmy Olsson Nilesh Jain Nirupama Khandke
Legal, including laws related to corporate governance	Jimmy Olsson Nilesh Jain Nirupama Khandke
Risk and Compliance oversight	Jimmy Olsson Nilesh Jain Nirupama Khandke
Information Technology	Jimmy Olsson Nilesh Jain

**Code of Conduct:**

The Company has a defined Code of Conduct for its Directors and Senior Management Personnel and the same is uploaded on the website, web-link of which is <https://gujchemdistillers.in/wp-content/uploads/2025/08/7.-Code-of-Conduct-for-Directors-and-Senior-Management.pdf> As on 31<sup>st</sup> March, 2025, all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

### 3. COMMITTEES OF THE BOARD OF DIRECTORS:

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations.

#### AUDIT COMMITTEE:

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls and transactions with related parties. The composition of the Audit Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulations 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and the rules framed thereunder. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and SEBI Listing Regulations, 2015. The Audit Committee comprises of two Non-Executive Independent Directors & one Executive Director who are well versed with the financial matters and corporate laws.

The Audit Committee met Nine times on 24<sup>th</sup> May, 2024, 26<sup>th</sup> July, 2024, 13<sup>th</sup> August, 2024, 14<sup>th</sup> August, 2024, 5<sup>th</sup> October, 2024, 29<sup>th</sup> October, 2024, 28<sup>th</sup> January, 2025, 13<sup>th</sup> February, 2025, & 31<sup>st</sup> March, 2025. The necessary quorum was present for all the meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company held on 30<sup>th</sup> November, 2024.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mrs. Barkha Balkrushnan Deshmukh	Non-Executive Independent Director	Chairperson	1	1
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Member	1	1
Mr. Sagar Samir Shah	Non-Executive Director	Member	1	1
<b>Committee is reconstituted on July 26, 2024 as follows</b>				
Ms. Nirupama Charuhas Khandke	Non-Executive Independent Director	Chairperson	8	8
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Member	8	8
Mr. Jimmy Olsson	Executive Director	Member	8	8

The Company Secretary acts as the Secretary to the Committee.

The Terms of Reference of the Audit Committee (AC) covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The brief terms of reference of the AC, inter-alia includes the following:

1. Audited and Un-Audited Financial Results;
2. Internal Audit Reports and Reports on Internal Control System;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditors.
7. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the SEBI Listing Regulations as amended from time to time and that of the Act.

#### NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors of which two Independent and one executive director. The Committee met four time in 2024-2025 on 10<sup>th</sup> May, 2024, 26<sup>th</sup> July, 2024, 14<sup>th</sup> August, 2024 and, 28<sup>th</sup> January, 2025. The necessary quorum was present for the said meetings.

**Details of the composition of the nomination and remuneration committee and attendance of the Members are as follows:**

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Chairperson	1	1
Mrs. Barkha Balkrushnan Deshmukh	Non-Executive Independent Director	Member	1	1
Mr. Sagar Samir Shah	Non-Executive Director	Member	1	1
<b>Committee is reconstituted on July 26, 2024 as follows</b>				
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Chairperson	3	3
Ms. Nirupama Charuhas Khandke	Non-Executive Independent Director	Member	3	3
Mr. Nilesh Jayant Jain	Executive Director	Member	1	1

The terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the NRC, inter-alia is as follows:

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. To evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
3. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
4. To formulate the criteria for evaluation of the Independent Directors and the Board;
5. To devise a policy on Board diversity.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the performance evaluation of Independent Directors.
7. Recommend to the board all remuneration, in whatever form, payable to senior management.

**Performance evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations, the Annual Performance Evaluation was carried out by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, & Stakeholders' Relationship Committee. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared and circulated after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/ CIR/P/2017/004 dated 05.01.2017 as well as the performance evaluation criteria formulated by the NRC for Board, Committees of Board, Chairperson and Directors

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Independent Directors expressed their satisfaction with the evaluation process, the Board's freedom to express its views on matters transacted at the Meetings and the openness and transparency with which the Management.

**Details of the Managerial Remuneration paid during the year ended 31<sup>st</sup> March 2025:**

During the financial year ended 31<sup>st</sup> March 2025, no remuneration, including salary, perquisites, performance incentives, sitting fees, or commission, was paid to the Managing Director, Whole-time Director(s), or any other Director of the Company. Accordingly, the disclosure requirements under Section 197 of the Companies Act, 2013 and the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable for the year under review.

Further, the independent Directors do not draw any remuneration from the Company other than sitting fees as may be determined by the Board from time to time.

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

Senior Management Personnel ('SMP') of the Company include employees who are members of the core management team excluding Board of Directors, comprising all members of management one level below the CEO/MD/WTD/Manager (including CEO/ Manager, in case they are not part of the Board).

Below are the details of SMP as on 31<sup>st</sup> March, 2025, including the changes during FY 2024-2025:

Sr. No.	Name	Designation	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2025
1.	Mr. Samir Rohitbhai Shah	Chief Financial Officer	✓	×
2.	Mr. Mahendra Agarwal	Chief Financial Officer	×	✓
3.	Ms. Bhoomika Mangal	Company Secretary	✓	×
4.	Ms. Palak Jain	Company Secretary	×	×

\* Ms. Bhoomika Mangal had resigned w.e.f. 2<sup>nd</sup> January, 2025

\*\* Ms. Palak Jain was appointed on 1<sup>st</sup> February, 2025 and resigned w.e.f. 28<sup>th</sup> February, 2025.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee presently consists of three Directors two are Independent and one executive director. The Committee met once, i.e. on 24<sup>th</sup> May 2024 during the year under review. The necessary quorum was present for the said meeting.

**Details of the composition of the Stakeholders' Relationship Committee and attendance of the Members are as follows:**

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mrs. Barkha Balkrushnan Deshmukh.	Non-Executive Independent Director	Chairperson	1	1
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Member	1	1
Mr. Sagar Samir Shah	Non-Executive Director	Member	1	1
<b>Committee is reconstituted on 26<sup>th</sup> July, 2024 as follows</b>				
Mr. Sunil Kondiba Kalhapure	Non-Executive Independent Director	Chairperson	-	-
Ms. Nirupama Charuhas Khandke	Non-Executive Independent Director	Member	-	-
Mr. Jimmy Olsson	Executive Director	Member	-	-

Ms. Bhoomika Mangal & Ms. Palak Jain have been appointed as Company Secretary and Compliance Officer of the Company.

**Investors' Complaints:**

No. of Complaints pending as on 01 <sup>st</sup> April, 2024	0
No. of Complaints identified and reported during Financial Year 2024-25	7
No. of Complaints disposed during the year ended 31 <sup>st</sup> March, 2025	7
No. of pending Complaints as on 31 <sup>st</sup> March, 2025	0

All valid transfers received during the year 2024-25 have been acted upon by the Company.

The terms of reference of the SRC, inter-alia is as follows:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/Transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate Certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### 4. DISCLOSURES OF RELATED PARTY TRANSACTIONS:

Your Company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Regulation 23 of Listing Regulations.

The policy on related party transactions has been placed on the Company's website and can be accessed through the following link <https://gujchemdistillers.in/wp-content/uploads/2025/08/9.-RPT-Materiality-Policy.pdf>

The Company ensures that all transactions with Related Parties are presented to the Audit Committee for approval during quarterly meetings or at specially convened sessions, as needed. Each transaction is accompanied by all relevant and required information.

During the financial year ended 31<sup>st</sup> March 2025, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules framed there under, Regulation 23 of Listing Regulations and the Policy of the Company on dealing with RPTs. During the financial year ended 31<sup>st</sup> March 2025, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Regulation 23 of Listing Regulations. The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report

#### 5. SUBSIDIARY:

The Company incorporated one wholly owned subsidiary during the Financial Year under review.

The policy on determination of material subsidiary has been placed on the Company's website and can be accessed through the following link: <https://gujchemdistillers.in/wp-content/uploads/2025/08/10.-Policy-on-Determining-material-subsiidiaries.pdf>

#### 6. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given below:

Year	Date	Venue	Special Resolutions passed
2024	30 <sup>th</sup> November, 2024	Through two way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ol style="list-style-type: none"> <li>1. To appoint Mr. Jimmy Olsson (DIN: 06891122) as a Director and Managing Director of the Company;</li> <li>2. To Appoint Ms. Nirupama Charuhas Khandke (DIN: 01605060) as Non-Executive, Independent Director of the Company;</li> <li>3. To consider and approve increase in the Borrowing Powers under Section 180(1)(a) of the Companies Act, 2013;</li> <li>4. To Consider and Approve creation of Charges, Mortgages, Hypothecation on the immovable and movable properties of the Company under Section 180(1)(c) of the Companies Act, 2013</li> </ol>
2023	22 <sup>nd</sup> September, 2023	Through two way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ol style="list-style-type: none"> <li>1. To approve the borrowings limits under section 180(1)(c) of the Companies Act, 2013;</li> <li>2. To seek approval under section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, propoerties or undertakings of the Company;</li> <li>3. To approve inter-corporate loans, investments, guarantee or security and acquisition under section 186 of the Companies Act, 2013.</li> </ol>
2022	15 <sup>th</sup> September, 2022	Registered office of the Company: ,307 Ashirwad Paras - 1, S.G. Highway, Makarba, Ahmedabad 380 051, Gujarat	<ol style="list-style-type: none"> <li>1. To appoint Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935) as an Independent Director of the Company;</li> <li>2. To approve change in category of Mrs. Rajasvee Sagar Shah (DIN:08265565) from executive to non-executive director of the Company;</li> <li>3. To approve inter-corporate loans, investments, guarantee or security and acquisition under section 186 of the Companies Act, 2013;</li> <li>4. To authorise board to grant loans and advances and/ or securities under section 185 of the companies act, 2013 to entity in whom directors/s is /are interested.</li> </ol>



## 7. DISCLOSURES:

### a) Related Party Transactions:

During the year ended 31<sup>st</sup> March 2025, there were no transactions of material nature entered into by the Company with Promoters, Directors, Key Managerial Persons, their relatives or the Management etc. that has potential conflict with the interest of the Company

### b) Compliance:

In terms of the requirements of Regulation 17(8) of the Listing Regulations, 2015 Jimmy Olsson, Managing Director and Mahendra Surajbhan Agarwal, Chief Financial Officer have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulation.

There was no non-compliance by the Company nor any penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

### c) Certificate from Practicing Company Secretaries:

The Company has received a certificate from M/s Ritika Agrwal & Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

### d) Fees to the Statutory Auditors of the Company:

Total fees for all services paid by the Company to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditors is a part, is given below:

Audit Fees	₹ 2,26,585
Other Services	₹ 9,280

### e) Whistle Blower Policy:

In compliance with Regulation 22 of the Listing Agreement, and Section 177(9) of the Companies Act 2013, the Company had Whistle Blower Policy for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. During the year under review, no employee was denied access to the Audit Committee of your Company. The policy can be accessed through the following link: [https://gujchemdistillers.in/wp-content/uploads/2025/08/5.-Whistle-Blower-Policy\\_Vigil-Mechanism-Policy.pdf](https://gujchemdistillers.in/wp-content/uploads/2025/08/5.-Whistle-Blower-Policy_Vigil-Mechanism-Policy.pdf)

### f) Code of Conduct:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management of the Company (the Code). The Code has been communicated to the Directors and members of the Senior Management, as defined in the said Code. The Code has also been posted on the Company's web-site i.e. <https://gujchemdistillers.in/wp-content/uploads/2025/08/7.-Code-of-Conduct-for-Directors-and-Senior-Management.pdf> All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March 2025.

### g) Code of Conduct for Prevention of Insider Trading:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted the Code of Conduct for Prevention of Insider Trading to regulate the dealing in securities by the directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities. The Company has appointed the Company Secretary as the Compliance Officer to ensure compliance of the said Code by all the directors and employees likely to have access to unpublished price sensitive information.

### h) Credit Rating:

The Company has not obtained any Credit rating during the year under review.

### i) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the Financial Year 2024-25, the Company raised ₹ 248.77 Lakhs from preferential issues of Warrants & Compulsory Convertible Debentures and the issue proceeds of the same has been placed before the Audit Committee. Further the report of Monitoring Agency is uploaded on the website of the Stock Exchanges on quarterly basis.

Please find below the brief utilization of the issue proceeds of the funds raised through Preferential Allotment:

Particulars	Amount Raised (₹in Crore)	Amount Utilized (₹in Crore)	Amount Remaining Unutilized (₹in Crore)	Purpose for which funds were raised
Preferential Issue of Compulsory Convertible Debentures & Warrants	248.77	103.86	144.91	<ol style="list-style-type: none"> <li>1. Repayment of existing Un-Secured Loan;</li> <li>2. Acquiring a running biorefinery asset that is currently producing ethanol and biogas located in Maharashtra State and Expansion of the biorefinery to produce additional ethanol, biogas with addition of solar and Hydrogen;</li> <li>3. Working Capital and General Corporate Purposes</li> </ol>

**j) Instances of not accepting any recommendation of the Committee by the Board:**

There is no such instance where Board has not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year

**k) Details of compliance with mandatory and non-mandatory requirements of Corporate Governance:**

The requirement of Corporate Governance becomes applicable to the Company from October, 2024. Thereafter Company has complied with all the mandatory requirements of Regulation 34 of the SEBI Listing Regulations.

The Company complied with the following discretionary requirements of the SEBI Listing Regulations:

1. For the financial year 2024-25, the Company's financial statements are with unmodified audit opinion.
2. The Internal Auditors directly report to the Audit Committee.

**l) Other Disclosures:**

- Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Details of the same are included in the Board Report forming part of this Annual Report.
- Commodity price risk or foreign exchange risk and hedging activities: Not applicable during the period under review.

**MEANS OF COMMUNICATION:**

**1. Quarterly Results:**

Quarterly Results of the Company are published in English newspaper i.e. Financial Express (English and Gujarati editions) and also displayed on the web-site of the Company i.e. <https://gujchemdistillers.in/quarterly-report> The official updates are sent to the Stock Exchanges. The Annual Report, Quarterly Results and Shareholding Pattern of the Company are also available on the Company's website in a user-friendly and downloadable form.

**2. Management Discussion and Analysis forms part of this Annual Report.**

**3. BSE Listing Center for Electronic filing:**

Apart from the financial results, shareholding pattern and quarterly report on Corporate Governance, other intimations/ disclosures required to be made to the Stock Exchanges are filed electronically.

**4. SEBI Complaints Redressal System (SCORES and SMART ODR)**

Shareholders complaints are also processed through a centralised web-based complaint redressal system, SCORES. This system enables the Company to have a centralised database of the complaints and upload online action taken reports. Investors can also view the current status of and actions taken on their complaints.

The Company has also been registered on the Online Dispute Resolution platform (SMART ODR) in compliance with the provisions of SEBI Circular dated 31<sup>st</sup> July, 2023 for implementation of the mechanism of redressal of investor grievances through SCORES Platform and linking it to ODR platform.

**1. GENERAL SHAREHOLDER INFORMATION:**

- I. The Annual General Meeting of the Company for the year ended 31<sup>st</sup> March, 2025 will be held on Monday, 29<sup>th</sup> day, September, 2025 at 12.00 p.m. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) and the venue shall be deemed to be the Registered office of the Company.
- II. The Financial Year of the Company comprises of twelve months period which commences on 1<sup>st</sup> April of every year and ends on 31<sup>st</sup> March of the immediately succeeding year. The Financial Year under consideration commenced on 1<sup>st</sup> April, 2024 and ended on 31<sup>st</sup> March 2025.

<b>Board Meeting for consideration of Annual Accounts</b>	<b>: 30<sup>th</sup> May, 2025</b>
Mailing of Annual Reports	: 21 clear days prior to the date of AGM as per provisions of Companies Act 2013.
Record Dates	: Will be disclosed separately
Board Meetings for the consideration of Unaudited Financial Results for the next three quarters of the current accounting year	: Within forty-five days from the end of each quarter with Limited review Report as stipulated under the Listing Regulations.

- III. Equity Shares of the Company are listed on Bombay Stock Exchange Limited. Company has made payment of the Annual Listing fees of the same.

<b>Name of the Exchange</b>	<b>Scrip Code</b>
Bombay Stock Exchange Limited	506640

- IV. ISIN (Security Code no. granted by Depositories):

<b>Type of Securities</b>	<b>Security Code</b>
Equity Shares	INE218N01021

- V. **Registrars and Share Transfer Agents (STA):**

The Share Transfer work of the Company was being looked after MUFG Intime India Pvt. Ltd (STA) having office at 5<sup>th</sup> floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Navarangpura, Ahmedabad, Gujarat, 380009. The STA have the necessary infrastructure to carry out share transfer work for shares in physical as well as in dematerialized form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.

- VI. **Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. Further, in accordance with the SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, regarding issuance of securities in dematerialised form only in case of various investor service requests (viz. issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal / exchange of share certificate; endorsement, sub-division / splitting of share certificate; consolidation of share certificates/ folios; transmission of shares and transposition), the Company, after verification and process of the service request, is issuing the 'Letter of confirmation' to the shareholders, as per the requirement.

Members in physical form are requested to consider converting their holdings to dematerialised form. Transfers of Equity Shares in electronic form are effected through the depositories with no involvement of the Company. Members may contact the Company or Company's Registrar & Share Transfer Agent (RTA), MUFG Intime India Pvt. Ltd for assistance in this regard. The members are requested to update their Bank details and other particulars as and when required with the Depository Participant or by sending the same to the RTA of the Company.

- VII. **Distribution of Shareholding as on 31<sup>st</sup> March 2025:**

**Fully Paid:**

No. of Shares	No. of Share Holders	% of Share Holders	Share Holding	% of Shares Held
Up to 5,000	5,377	99.85	6,40,324	17.95
5,001-10,000	2	0.04	11,097	0.31
10,001 and above	6	0.11	29,17,429	81.75
<b>TOTAL</b>	<b>5,385</b>	<b>100</b>	<b>35,68,850</b>	<b>100</b>

VIII. Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2025:

Sr. No.	Categories	No. of Shareholders	No. of Fully Paid-Up Equity Shares Held	Percentage
<b>A.</b>	<b>Shareholding of Promoter and Promoter Group</b>			
<b>A1)</b>	<b>Foreign</b>			
1.	Individuals/ Hindu Undivided Family	-	-	-
2.	Bodies Corporate	1	21,75,640	60.96%
	<b>Sub-Total (A) (1)</b>	<b>1</b>	<b>21,75,640</b>	<b>60.96%</b>
<b>B.</b>	<b>Public Shareholding</b>			
<b>B1)</b>	<b>Institutions</b>			
a)	Financial Institutions/ Banks (Domestic)	6	1,960	0.05%
b)	NBFCs registered with RBI	1	3,00	0.01%
	<b>Sub-Total (B) (1)</b>	<b>7</b>	<b>2,260</b>	<b>0.06%</b>
<b>B2)</b>	<b>Central Government/ State Government(s)/ President of India</b>			
a	Central Government / President of India	1	10	-
b	State Government / Governor	1	10	-
	<b>Sub-Total (B) (2)</b>	<b>2</b>	<b>20</b>	<b>-</b>
<b>B3)</b>	<b>Non-Institutions</b>			
a)	Bodies Corporate	8	29,950	0.84%
b)	Resident Individuals	5,323	13,35,688	37.43%
c)	Any Other (NRI Repat & Non - Repat)	18	2,155	0.06%
d)	Any Other (Hindu Undivided Family)	23	3,228	0.09%
e)	Any Other (LLP)	2	19,119	0.54%
f)	Any Other (Escrow Account)	1	790	0.02%
	<b>Sub- Total (B) (3)</b>	<b>5,357</b>	<b>13,90,930</b>	<b>38.98%</b>
	<b>Total Public Shareholding (B) = (B) (1) + (B) (2)+B (3)</b>	<b>5,384</b>	<b>13,93,210</b>	<b>39.04%</b>
	<b>GRAND TOTAL (A) + (B)</b>	<b>5,385</b>	<b>35,68,850</b>	<b>100%</b>

## IX. Details of unclaimed shares:

There are no unclaimed shares as on 31<sup>st</sup> March, 2025.

## X. Unclaimed Dividends and Transfer to IEPF

Pursuant to Section 124 of Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Company has not been required to transfer any amount in IEPF.

## XI. Details of Dematerialization of shares:

As on 31<sup>st</sup> March 2025, 88.10 % of the Company's total Shares representing 31,44,510 Equity Shares were held in dematerialized form and balance 4,24,340 representing 11.89% Equity Shares were held in physical form.

## XII. Outstanding GDRs/ADRs/Warrants or any Convertible instruments:

There were no GDRs/ADRs/ outstanding as on 31<sup>st</sup> March, 2025.

The details of outstanding Compulsory Convertible Debentures and Warrants are as under:

- 1,23,50,000 Compulsory Convertible Debentures convertible into 1,23,50,000 Equity Shares which rank pari passu with the existing Equity Shares of the Company.
- 2,59,22,000 Convertible Warrants convertible into equal numbers of Equity Shares which rank pari passu with the existing Equity Shares of the Company.

**XIII. Information for Communication:****(i) Registered Office:**

Plot No. 314, 307 Ashirwad Paras-1, S. G. Highway, Makarba, Ahmedabad 380 051 - Gujarat

**(ii) Corporate Office:**

1102 Lodha Supremus, Senapati Bapat Marg Lower Parel, Mumbai, 400 013 - Maharashtra

**Email ID:** [investors@zr2group.com](mailto:investors@zr2group.com)

**Tel No.:** +91 83560 34700

**CIN:** L32909GJ1939PLC002480

**Website:** <https://gujchemdistillers.in>

**(iii) Plant Location:** Not Applicable**(iv) Registrars & Share Transfer Agents:**

MUFG Intime India Pvt. Ltd

5<sup>th</sup> floor, 506 to 508 Amarnath Business Centre - I (ABC - I)

Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Navarangpura

Ahmedabad 380009 - Gujarat

**Email:** [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**Tel No.:** +91 079 - 26465179

**Website:** [www.in.mpms.mufig.com](http://www.in.mpms.mufig.com)

**(v) Depositories:****National Securities Depository Limited**

Add: Trade World, A Wing, 4<sup>th</sup> Floor

Kamala Mills Compound

Senapati Bapat Marg, Lower Parel

Mumbai – 400 013

Tel : (022) 2499 4200

Fax : (022) 2497 6351

E-mail : [info@nsdl.co.in](mailto:info@nsdl.co.in)

Website : [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Limited**

Add: Marathon Futurex, A Wing

25<sup>th</sup> Floor, N. M. Joshi Marg

Lower Parel, Mumbai – 400 013

Tel : (022) 23023333

Fax : (022) 23002035/2036

E-mail: [investors@cdslindia.com](mailto:investors@cdslindia.com)

Website : [www.cdslindia.com](http://www.cdslindia.com)

Shareholders holding shares in the dematerialized form shall address their correspondence regarding their shareholding to their respective Depository Participants (DP) and can address their queries / complaints to the Registrars & Share Transfer Agents of the Company or may also contact Company Secretary at the registered office of the Company.

**Declaration as required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to confirm that the Company has adopted a Code of Conduct for its directors and senior management employees. These Codes are available on the Company's website.

I confirm that the Company has, in respect of the year ended 31<sup>st</sup> March 2025, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the all employees who are members of its core management team, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director Manager (including Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

**Jimmy Olsson**  
**Managing Director**  
**DIN: 06891122**



## CFO & MD Certification

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulation 2015 read with Schedule II Part B]

To  
The Members,  
**ZR2 Bioenergy Limited**

We certify that:

1. We have reviewed the Audited Financial Statements and the cash flow statement of ZR2 Bioenergy Limited ("the Company") for the financial year ended 31<sup>st</sup> March 2025 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions have been entered into by the Company during the financial year ended 31<sup>st</sup> March 2025, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:-
  - i. significant changes in the Company's internal control over financial reporting, if any, during the financial year ended 31<sup>st</sup> March 2025;
  - ii. significant changes in accounting policies, if any, during the financial year ended 31<sup>st</sup> March 2025 have been disclosed in the notes to the Financial Statements; and
  - iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

**Jimmy Olsson**  
**Managing Director**  
**DIN: 06891122**

**Mahendra Surajbhan Agarwal**  
**Chief Financial Officer**

# CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as **Gujchem Distillers India Limited**)  
Plot No. 314, 307 Ashirwad Paras-1  
S. G. Highway, Makarba  
Ahmedabad 380 051

I have examined the compliance of the conditions of Corporate Governance by **ZR2 BIOENERGY LIMITED** (Formerly known as Gujchem Distillers India Limited) ("The Company") for the year ended on 31<sup>st</sup> March, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance, it is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of my information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India. I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31<sup>st</sup> March, 2025

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

For Ritika Agrawal & Associates

Place: Mumbai  
Date: 3<sup>rd</sup> September, 2025

Ritika Agrawal  
Proprietor  
M. No. 8949  
COP No. 8266  
UDIN: F008949G001161463

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

**ZR2 BIOENERGY LIMITED**

(Formerly known as **Gujchem Distillers India Limited**)

Plot No. 314, 307 Ashirwad Paras-1

S. G. Highway, Makarba

Ahmedabad 380 051

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ZR2 BIOENERGY LIMITED** (Formerly known as **Gujchem Distillers India Limited**) having CIN L32909GJ1939PLC002480 and having registered office at Plot No. 314, 307 Ashirwad Paras-1, S. G. Highway, Makarba, Ahmedabad 380 051 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

**As on 31<sup>st</sup> March, 2025 the Board comprised of Four Directors, as detailed below:**

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1.	Mr. Jimmy Olsson	06891122	Managing Director	26 <sup>th</sup> July, 2024
2.	Mr. Sunil Kondiba Kalhapure	09712393	Independent Director	01 <sup>st</sup> March, 2023
3.	Mrs. Nirupama Charuhas Khandke	01605060	Independent Director	26 <sup>th</sup> July, 2024
4.	Mr. Nilesh Jayant Jain	07588945	Non-executive Non-Independent Director	26 <sup>th</sup> July, 2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Ritika Agrawal & Associates**

Place: Mumbai

Date: 3<sup>rd</sup> September, 2025

**Ritika Agrawal**

**Proprietor**

**M. No. 8949**

**COP No. 8266**

**UDIN: F008949G001161441**

# Independent Auditor's Report

To  
The Members of  
**ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited)**  
**Report on the Audit of the Standalone financial statements**

## Opinion

We have audited the accompanying Standalone financial statements of **ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited)** ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit, 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 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Key Audit Matters

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Capital Expenditure in respect of Capital Work In Progress:</b></p> <p>The Company is in process of executing projects for acquisition of a project and expansion of various other projects. These projects take a substantial period of time to get ready for intended use :</p> <p>We considered Capital Expenditure as key audit matter due to :</p> <ul style="list-style-type: none"> <li>Judgement and estimate required by the management in assessing assets meeting the capitalisation criteria set out in Ind AS 16.</li> <li>Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16.</li> </ul>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> <li>Assessed the design and operating effectiveness of the controls with respect to capital expenditure incurred and classified under capital work in progress.</li> <li>Obtained the understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.</li> </ul>

## Information Other than the Standalone financial statements and Auditor's report thereon

The Company's Board of Directors are responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the financial statement and our auditor's report thereon.

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

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

of our audit or otherwise appears to be materially misstated.

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

### **Responsibilities of Management and those charged with Governance for the Standalone financial statements**

The accompanying Standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act and other accounting principles generally acceptable 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone financial statements**

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

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

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

Materiality is the magnitude of misstatements in the Standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.

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

### Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order" "CARO"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The Balance sheet, the Statement of Profit & Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representation received from the directors as on March 31, 2025 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a Directors in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year.
  - (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred if any, to the Investor Education and Protection Fund by the Company.
    - iv.
      - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the 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 have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2025 and hence reporting compliance of Section 123 of the Act is not applicable.
- vi. As more fully described in note 33 to the Standalone financial statements, based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for during 1<sup>st</sup> April, 2024 to 25<sup>th</sup> September, 2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
**(Firm Registration No.113447W/W-100019)**

**Place: Mumbai**  
**Date: 29<sup>th</sup> May, 2025**

**Mohak Goel**  
**Partner**  
**Membership No. 159883**  
**UDIN: 25159883BMITCD2286**



**Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited) of even date:**

- i. (a) In respect of Company’s Property, Plant and Equipment (PPE):
  - A. The Company has maintained proper records, showing full particulars including quantitative details and situation of Property, Plant and Equipment (PPE) and Capital work in progress.
  - B. The Company has no intangible asset as at March 31, 2025. Accordingly reporting under clause 3(i)(c) of the order is not applicable to the company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment (PPE) under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and capital work in progress were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us there is no Intangible asset held by the company.
- (d) The Company has not revalued its Property, Plant and Equipment during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, neither any proceedings have been initiated during the year nor are pending as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The company does not have any inventory during the year. Accordingly, reporting under clause 3(ii)(a) of the order is not applicable to the company.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from a bank on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable to the company.
- iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
  - a). The Company has not provided any loans or advances in the nature of loans or guarantee or provided security to any other entity during the year and hence reporting under clause 3(iii)(a) is not applicable to the Company.
  - b). According to the information and explanations given to us, investments in subsidiaries made are in the ordinary course of business and in our opinion, prima facie, not prejudicial to the Company’s interest.
  - c). The Company has not granted any loans or advances in the nature of loans during the year and hence reporting under clauses 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given, any investments made, any guarantee and security given during the year.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public and hence reporting under the Clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, as there are no manufacturing activities carried out during the year, the requirements of maintenance of cost records under Section 148(1) of the Act are not applicable to the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, and other material statutory dues applicable to the Company.  
There were no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a year of more than six months from the date they became payable.
- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders.
- (b) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of term loans during the year and hence reporting under clause 3 (ix) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that no funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.

- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer hence the reporting under Clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has utilized funds raised by way of allotment of convertible debentures and convertible warrants for the purposes for which they were raised.
- xi. (a) During our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.
- (c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints received during the year by the Company and hence reporting under clause 3 (xi) (c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in the Standalone financial statements as required by the applicable Accounting Standard. *(Refer note no. 27 to the Standalone financial statements).*
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
**(Firm Registration No.113447W/W-100019)**

**Mohak Goel**  
**Partner**  
**Membership No. 159883**  
**UDIN: 25159883BMITCD2286**

**Place: Mumbai**  
**Date: 29<sup>th</sup> May, 2025**

**Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the Members of ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited) of even date:**

**Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to Standalone financial statements of **ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited)** (“the Company”) as of March 31, 2025 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial Controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Standalone financial statements.

**Meaning of Internal Financial Controls**

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

A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organization from time to time.

**Inherent Limitations of Internal Financial Controls**

Because of the inherent limitations of Internal Financial Controls, 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 to future periods are subject to the risk that the internal financial controls 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 best of our information and according to the explanations given to us, the Company has, broadly in all material respects, an adequate internal financial controls system with reference to Standalone financial statements and such Internal Financial Controls with reference to Standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Standalone financial statements issued by the Institute of Chartered Accountants of India.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
**(Firm Registration No.113447W/W-100019)**

**Place: Mumbai**  
**Date: 29<sup>th</sup> May, 2025**

**Mohak Goel**  
**Partner**  
**Membership No. 159883**  
**UDIN: 25159883BMITCD2286**

## Standalone Balance Sheet

(₹ in Lakhs)

Particulars	Notes	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2A	49.87	1.14
Capital Work-in-Progress	2B	11,889.68	-
Intangible Assets			
Financial Assets			
Investments	3	10.00	26.15
Other Financial Assets	4	13.50	150.00
Other Non-Current Assets	5	-	3,010.00
Deferred Tax Assets (Net)	14	-	11.08
<b>Total Non-Current Assets</b>		<b>11,963.05</b>	<b>3,198.37</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	6	-	185.53
Cash and Cash Equivalents	7	1,900.80	431.12
Loans	8	-	56.40
Other Financial Assets	9	50.37	23.47
Other Current Assets	10	33.93	33.29
<b>Total Current Assets</b>		<b>1,985.10</b>	<b>729.81</b>
<b>TOTAL ASSETS</b>		<b>13,948.15</b>	<b>3,928.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	35.69	35.69
Instruments Entirely Equity in Nature	12	12,239.83	-
Other Equity	13	1,657.93	1,649.72
<b>Total Equity</b>		<b>13,933.45</b>	<b>1,685.41</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	14	0.09	-
<b>Total Non-Current Liabilities</b>		<b>0.09</b>	<b>-</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	15	-	2,200.91
Trade Payables	16		
Total Outstanding Dues of Micro and Small Enterprises		-	-
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		8.61	0.49
Other Financial Liabilities		-	-
Other Current Liabilities	17	3.90	30.07
Provisions	18	2.10	11.30
<b>Total Current Liabilities</b>		<b>14.61</b>	<b>2,242.77</b>
<b>Total Liabilities</b>		<b>14.70</b>	<b>2,242.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,948.15</b>	<b>3,928.18</b>
Material accounting policies, key accounting estimates and judgements	1		
The accompanying notes form an integral part of the financial statements	2-36		

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Mohak Goel**  
Partner  
M. No. 159883

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Mahendra Agarwal**  
Chief Financial Officer

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Shital Gurav**  
Company Secretary  
Membership No. A73942

## Standalone Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Notes	FY 2024-25	FY 2023-24
Revenue from Operations	19	149.45	157.37
Other Income	20	62.27	31.44
<b>Total Income</b>		<b>211.72</b>	<b>188.81</b>
<b>Expenses</b>			
Purchase of Stock-in-Trade	21	125.60	132.24
Employee Benefits Expense	22	18.11	1.35
Finance Costs	23	0.01	19.36
Depreciation and Amortisation Expense	2A	4.35	0.14
Other Expenses	24	44.26	12.18
<b>Total Expenses</b>		<b>192.33</b>	<b>165.27</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>19.40</b>	<b>23.54</b>
<b>Exceptional Items</b>		-	<b>14.56</b>
<b>Profit Before Tax</b>		<b>19.40</b>	<b>38.10</b>
<b>Tax Expense</b>			
(1) Current Tax	28	-	2.67
(2) Deferred Tax	14	11.17	(3.49)
<b>Profit for the Year</b>		<b>8.22</b>	<b>38.92</b>
Other Comprehensive Income (OCI)		-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>		-	-
<b>Total Comprehensive Income for the Year</b>		<b>8.22</b>	<b>38.92</b>
<b>Earnings per Equity Share of ₹1 Each</b>	26		
Basic (in ₹)		0.23	1.24
Diluted (in ₹)		0.02	1.24

Material accounting policies, key accounting estimates and judgements

1

The accompanying notes form an integral part of the financial statements

2-36

**For Bagaria & Co LLP**

Chartered Accountants

FRN: 113447W/W-100019

**Mohak Goel**

Partner

M. No. 159883

For and on behalf of Board of Directors of

**ZR2 BIOENERGY LIMITED**

(Formerly known as Gujchem Distillers India Limited)

**Jimmy Olsson**

Managing Director

DIN: 06891122

**Nirupama Khandke**

Independent Director

DIN: 01605060

Place: Mumbai

Date: 29<sup>th</sup> May, 2025**Mahendra Agarwal**

Chief Financial Officer

**Shital Gurav**

Company Secretary

Membership No. A73942

## Standalone Cash Flow Statement

Particulars	(₹ in Lakhs)	
	FY 2024-25	FY 2023-24
<b>Cash Flow from Operating Activities:</b>		
Net Profit Before Tax as per Statement of Profit and Loss	19.39	38.10
<b>Adjusted for:</b>		
Depreciation and Amortization	4.35	0.14
(Profit) / Loss on Sale or Remeasurement at FVTPL of Investment	(1.79)	(7.51)
Interest Received	(48.98)	(23.76)
Dividend Received	(0.05)	(0.13)
Profit on Sale / Disposal of Immovable Property	-	(14.56)
Interest and Finance Costs	0.01	60.13
<b>Operating Cash Flow before Working Capital Changes</b>	<b>(27.06)</b>	<b>52.42</b>
<b>Adjusted for:</b>		
(Increase) / Decrease in Trade Receivables	185.53	(175.52)
(Increase) / Decrease in Current Financial Assets	(26.90)	(1,881.33)
(Increase) / Decrease in Other Non-Current Assets	3,010.00	-
(Increase) / Decrease in Other Financial Assets	(13.50)	-
(Increase) / Decrease in Other Current Assets	(0.64)	(0.29)
Increase / (Decrease) in Trade Payables	8.11	(1.53)
Increase / (Decrease) in Other Current Liabilities	(26.17)	-
Increase / (Decrease) in Provisions	(9.20)	28.30
<b>Cash Generated from / (used in) Operations</b>	<b>3,100.17</b>	<b>(1,977.95)</b>
Less: Income Taxes (Paid) / Refund (net)	-	(0.51)
<b>Net Cash Generated from / (used in) Operating Activities [A]</b>	<b>3,100.17</b>	<b>(1,978.46)</b>
<b>Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets / Capital Work-in-Progress	(11,942.76)	-
Interest Income on Loans and Advances Given	48.98	23.76
(Payments) / Proceeds from Loans & Advances (net)	56.40	-
(Increase) / Decrease in Bank Deposits	150.00	184.18
(Payments) / Proceeds from Sale of Investments (net)	17.94	3.92
Proceeds from Sale of Immovable Property	-	16.00
Dividend Received	0.05	0.13
<b>Net Cash Flow From / (used in) Investing Activities [B]</b>	<b>(11,669.39)</b>	<b>227.99</b>
<b>Cash Flow From Financing Activities:</b>		
Proceeds from Long Term Borrowing (net)	(2,200.91)	999.86
Proceeds from Issue of Equity Shares	-	1,209.00
Proceeds from Issue of Share Warrants	4,212.33	-
Proceeds from Issue of Compulsory Convertible Debentures	8,027.50	-
Interest & Finance Costs	(0.01)	(60.13)
<b>Net Cash Flow from / (used in) Financing Activities [C]</b>	<b>10,038.90</b>	<b>2,148.73</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents [A+B+C]</b>	<b>1,469.68</b>	<b>398.26</b>
Cash and Cash Equivalents as at Beginning of the Year	431.12	32.86
<b>Cash and Cash Equivalents as at End of the Year</b>	<b>1,900.80</b>	<b>431.12</b>

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Mohak Goel**  
Partner  
M. No. 159883

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Mahendra Agarwal**  
Chief Financial Officer

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Shital Gurav**  
Company Secretary  
Membership No. A73942



## Standalone Statement of Changes in Equity

### A Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	3,568,850	35.69	1,618,850	16.19
Changes during the Year	-	-	1,950,000	19.50
<b>Closing Balance</b>	<b>3,568,850</b>	<b>35.69</b>	<b>3,568,850</b>	<b>35.69</b>

### B Instruments Entirely Equity in Nature

#### i Compulsorily Convertible Debentures (CCDs)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	-	-
Changes during the Year	12,350,000	8,027.50	-	-
<b>Closing Balance</b>	<b>12,350,000</b>	<b>8,027.50</b>	<b>-</b>	<b>-</b>

#### ii Convertible Warrants

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	-	-	-	-
Changes during the Year	25,922,000	4,212.33	-	-
<b>Closing Balance</b>	<b>25,922,000</b>	<b>4,212.33</b>	<b>-</b>	<b>-</b>

### C Other Equity

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Securities Premium Reserves</b>		
Opening Balance	1,189.50	-
Profit / (Loss) for the Year	-	-
Proceeds from Issue of Shares During the Year	-	1,189.50
<b>Closing Balance</b>	<b>1,189.50</b>	<b>1,189.50</b>
<b>Capital Reserve</b>		
Opening Balance	171.31	171.31
Profit / (Loss) for the Year	-	-
Proceeds from Issue of Shares During the Year	-	-
<b>Closing Balance</b>	<b>171.31</b>	<b>171.31</b>
<b>Retained Earnings</b>		
Opening Balance	288.75	249.84
Profit / (Loss) for the Year	8.22	38.92
Proceeds from Issue of Shares During the Year	-	-
<b>Closing Balance</b>	<b>296.97</b>	<b>288.76</b>
<b>Share Forfeiture</b>		
Opening Balance	0.15	0.15
Profit / (Loss) for the Year	-	-
Proceeds from Issue of Shares During the Year	-	-
<b>Closing Balance</b>	<b>0.15</b>	<b>0.15</b>
<b>Total</b>	<b>1,657.93</b>	<b>1,649.72</b>

# Notes to Standalone Financial Statement

## General Information

ZR2 Bioenergy Limited (Formerly Known As Gujchem Distillers India Ltd) Is A Public Limited Company Has Been Incorporated Under The Provisions Of The Companies Act, 1956. The Shares Of The Company Are Listed In The Bombay Stock Exchange Limited ('BSE').

During the financial year, there was a change in the management of the Company pursuant to a takeover by ZR2 Group Holdings Limited (acquirer), which became effective on July 26, 2024. In accordance with the terms of the acquisition, control of the Company has been transferred from the erstwhile promoters to the new shareholders. Following the takeover, the composition of the Board of Directors and key managerial personnel underwent significant changes, including the appointment of new directors and senior executives nominated by the acquiring entity. This change in management has not resulted in any modification to the fundamental accounting assumptions or accounting policies followed by the Company. The financial statements for the year ended 31<sup>st</sup> March 2025 have been prepared on a going concern basis and in accordance with the accounting principles generally accepted in India (IGAAP), as notified under the Companies Act, 2013, and applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

### 1 A) Material Accounting Policies

The material accounting policies applied by the company in the preparation of the financial statements are listed below. Such accounting policies have been consistently to all periods presented in these financial statements, unless otherwise stated.

#### a. Statement of Compliance

The financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind-AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statement.

Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

These financial statements are approved for issue by the Board of Directors on 29<sup>th</sup> May, 2025.

#### b. Basis of preparation and presentation

The financial statements have been prepared under the historical cost convention with the exception of certain financial instruments that are required to be measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind-AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### c. **Property, plant and equipment (PPE)**

Property, plant and equipment are stated at cost / allocated cost less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Cost includes all costs relating to acquisition and installation of Property, plant and equipment including any incidental costs of bringing the assets to their working condition for their intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred.

Where cost of the part of the asset is significant to total cost of asset and useful life of that part is different from useful life of the asset, useful life and the value of that significant part shall be determined separately through internal/external expert. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

Assets in the course of construction are reflected in capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to appropriate category of Property, plant and equipment.

Any assets whose value is less than Rs. 5,000 is charged to statement of profit and loss.

#### **Derecognition**

The carrying amount of a property, plant and equipment is de-recognized when no future economic benefits are expected from its use or on disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement profit & loss.

Machinery spares that can be used only in connection with an item of Property, plant and equipment & where use are expected is more than one year are capitalized along with plant & machinery.

#### **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised as to write off the cost of assets (other than freehold land and properties under construction) less their residual values.

Depreciation commences when the assets are ready for their intended use. Depreciation on all property plant and equipment except freehold land are provided on a Written Down Value (WDV) method in the manner specified in Schedule II of the Companies Act, 2013.

#### d. **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost / allocated cost less accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Costs incurred on technical know-how/ license fee relating to process design/ plants/ facilities are capitalized at the time of capitalization of the said plant/ facility and amortized on pro-rata basis over a period of five years. Computer software is capitalised on the date of installation and is amortised on pro-rata basis over a period of five years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gain and loss arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in the statement of profit and loss when the asset is de-recognized or on disposal.

**e. Inventories**

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

Cost of raw materials, production consumables and stores & spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress include cost of direct materials computed on specific identification method and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

**f. Revenue from contract with customers**

**a) Revenue from sale of goods**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e., if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices.

**b) Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**g. Foreign currency transactions**

The Company's financials are presented in INR, which is functional currency of the Company. In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period:

- i. Monetary items denominated in foreign currencies are restated at the rates prevailing at that date.
- ii. Non-monetary items carried at fair value that are denominated in foreign currencies are restated at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation

differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

- iii. Non-monetary items that are measured terms of historical cost in a foreign currency are not restated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in profit or loss in the period in which they arise.

#### **h. Retirement and other employee benefits**

##### **Defined Contribution Plan**

Payments to defined contribution retirement benefit plans such as provident fund are recognized as an expense in the statement of profit and loss when an employee renders the related service.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

##### **Defined Benefits Plan**

For defined retirement benefit plans, such as gratuity the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense. Curtailment gains and losses are accounted for as past service costs.

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

Past service cost is recognized in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

##### **Short-term and other long-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. These benefits include bonus/incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

#### **i. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

**j. Borrowing cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to finance cost.

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for its intended use.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

**k. Leases**

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

**Company as a lessee**

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

**Right-of-use assets**

The Company recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities and comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are amortised on a straight-line basis over shorter of its estimated useful life or the lease term.

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

The right-of-use assets are also subject to impairment.

**Lease Liabilities**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a modification, a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**Company as lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs

incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### I. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

#### A. Financial assets

##### a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

##### b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in statement of profit and loss. The net gain or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**c) Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

**d) Impairment**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets.

**e) Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future

cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit and loss and is included in the 'Other income' line item.

## **B. Financial liabilities and equity instruments**

### **a) Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

### **c) Financial liabilities**

Financial liabilities are classified as other financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

**A financial liability is classified as held for trading if:**

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**Other financial liabilities:**

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities:**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable or not to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**m. Government grants**

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**n. Earnings per share**

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

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earning per share from continuing operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**o. Income taxes**

Income tax expense represents the sum of the current tax and deferred tax.

**Current tax**

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, which are never taxable or tax deductible. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year.

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

**Deferred tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

In the case of unused tax losses probability is evaluated considering factors like existence of sufficient taxable temporary differences, convincing evidence that sufficient taxable profit will be available. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets and, the Company recognizes a previously unrecognized Deferred Tax Asset to the extent that it has become probable that future taxable profit will allow the Deferred Tax Asset to be recovered.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the tax assets and liabilities (on a year-on-year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis

#### **Current and Deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### **p. Impairment of non-financial asset**

The Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An asset's recoverable amount is the higher of an asset or cash-generating units (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for Impairment at least annually, and whenever there is an indication that the asset may be impaired.

#### **q. Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Trade receivables above ninety days and against whom any legal cases filed/to be filed are treated as doubtful in nature and accordingly provision has been made.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

#### **Onerous contracts**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Show cause notices issued by various government authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company then these are classified as possible obligations.

#### **r. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize such contingent liability but discloses its existence in the financial statements.

#### **s. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of less than three months or less that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value.

### **1. B) Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

### **1. C) Significant accounting judgments, estimates and assumptions**

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

In the process of applying the Company's accounting policies, management has made the following judgment, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statement

#### **a) Contingent Liabilities**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

## 2A Property, Plant and Equipment

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31 <sup>st</sup> March, 2024	Addition / Adjustment	Deduction / Adjustment	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	Depreciation for the Year	Disposal of Assets	As at 31 <sup>st</sup> March, 2025
Building	2.18	-	-	2.18	1.68	0.05	-	1.73
Plant and Machinery	5.31	-	-	5.31	5.31	-	-	5.31
Furniture and Fixture	7.82	5.79	-	13.62	7.17	0.51	-	7.69
Office Equipment	1.84	12.00	-	13.84	1.84	1.97	-	3.81
Vehicles	-	35.29	-	35.29	-	1.82	-	1.82
<b>Total</b>	<b>17.15</b>	<b>53.08</b>	<b>-</b>	<b>70.24</b>	<b>16.01</b>	<b>4.35</b>	<b>-</b>	<b>20.36</b>

## Notes:

- i) The title deeds of immovable properties are held in the name of the Company.
- ii) Refer below note for the disclosure of contractual commitments for the acquisition of Property, Plant & Equipments.

## 2B Capital Work-in-Progress (CWIP)

Particulars	As at 31 <sup>st</sup> March, 2024				
	Plant & Machinery (including Building)	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in Progress	11,889.68	11,889.68	-	-	-
<b>As at 31<sup>st</sup> March, 2025</b>	<b>11,889.68</b>	<b>11,889.68</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31<sup>st</sup> March 2025, the Capital Work-in-Progress includes an amount of ₹11,710 lakhs paid to Padmashri Dr. Vitthalrao Vikhe Patil Sahakari Sakhar Karkhana Ltd (PVVSSKL) towards the strategic partnership of existing ethanol distillery and biogas business (Biorefinery asset). The proposed structure is subject to approval by the Government of Maharashtra. As per the proposed arrangement the company will Build-Own-Operate-Transfer (BOOT) the Biorefinery for a period of 15 years which may be extended by another 14 years totalling 29 years. Further, the Group has incurred ₹179.68 lakhs towards project-related pre-operative expenses, which have been included under CWIP. Accordingly, the total project expenditure continues to be disclosed under Capital Work-in-Progress, pending finalisation of legal documentation and project execution of the Biorefinery asset. It is also noted that, as disclosed in Note 5 - Advances to Others in the financial statements for the year ended 31<sup>st</sup> March 2024, a non-refundable advance of ₹3,010 lakhs previously paid to PVVSSKL has been reclassified under Capital Work-in-Progress as on 31<sup>st</sup> March 2025.

## 3 Investments

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Investment in Subsidiary	10.00	
Investment in Quoted Equity Shares	-	25.87
Investment in Unquoted Equity Shares	-	0.28
<b>Total</b>	<b>10.00</b>	<b>26.15</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Units	Amount	Units	Amount
<b>A. Investments in Subsidiary and Associate Companies</b>				
ZR2 Solar Pvt Ltd - Wholly Owned Subsidiary (Face value of ₹ 10 each)	100,000	10.00	-	-
<b>Total Investment in Subsidiary (A)</b>	<b>100,000</b>	<b>10.00</b>	<b>-</b>	<b>-</b>
<b>B. Investments Unquoted</b>				
Baroda Chemical Industries Ltd (Face Value of ₹ 100 each)	-	-	10.00	0.01
Kaveri Engineers Ltd (Face value of ₹ 100 each)	-	-	90.00	0.09
Co-Operative Bank of Ahmedabad Ltd (Face value of ₹ 25 each)	-	-	1,080.00	0.27
Kapole Commercial Co-operative Bank Ltd (Face value of ₹ 10 each)	-	-	100.00	0.01
Less: Provision for Diminution in the Value of Investment	-	-	-	(0.10)
<b>Total Other Investment in Unquoted Equity Shares (B)</b>	<b>-</b>	<b>-</b>	<b>1,280.00</b>	<b>0.28</b>
<b>Total Investment in Unquoted Equity Shares (C) = (A) + (B)</b>	<b>100,000</b>	<b>10.00</b>	<b>1,280.00</b>	<b>0.28</b>
<b>C. Investments Quoted</b>				
<b>Investments in Equity Instruments at Fair Value through Profit &amp; Loss (FVTPL)</b>				
Reliance Communication Ltd (Face value of ₹ 5 each)	-	-	500.00	0.01
Adani Ports and Special Economic Zone Ltd (Face value of ₹ 2 each)	-	-	250.00	3.35
Adani Wilmar Ltd (Face value of ₹ 1 each)	-	-	140.00	0.45
Allcargo Terminals Ltd (Face value of ₹ 2 each)	-	-	5,000.00	2.67
Ambuja Cements Ltd (Face value of ₹ 2 each)	-	-	861.00	5.27
Ashok Leyland Ltd (Face value of ₹ 1 each)	-	-	1,000.00	1.71
Bank of India Ltd (Face value of ₹ 10 each)	-	-	500.00	0.69
Chemplast Sanmar Ltd (Face value of ₹ 5 each)	-	-	250.00	1.12
Ester Industries Ltd (Face value of ₹ 5 each)	-	-	500.00	0.43
GHCL Ltd (Face value of ₹ 10 each)	-	-	250.00	1.11
GHCL Textiles Ltd (Face value of ₹ 2 each)	-	-	250.00	0.19
Ishan Dyes & Chemicals Ltd (Face value of ₹ 10 each)	-	-	6,000.00	2.73
Tata Teleservices (Maharashtra) Ltd (Face value of ₹ 10 each)	-	-	1,000.00	0.74
Triveni Engineering and Industries Ltd (Face value of ₹ 1 each)	-	-	500.00	1.55
Zee Entertainment Enterprises Ltd (Face value of ₹ 1 each)	-	-	2,500.00	3.47
Nippon India ETF	-	-	39.00	0.39
<b>Total Investment in Quoted Equity Shares (D)</b>	<b>-</b>	<b>-</b>	<b>19,540.00</b>	<b>25.87</b>
<b>Total Non Current Investment (C+D)</b>	<b>-</b>	<b>10.00</b>	<b>20,820.00</b>	<b>26.15</b>



(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	Units	Amount	Units	Amount
Aggregate Amount of Quoted Investment - at Cost	100,000	-	-	-
Aggregate Amount of Quoted Investment - at Market Value	-	-	19,540.00	25.87
Aggregate Amount of Un-Quoted Investment	-	-	1,280.00	0.38
Aggregate Amount of Provision for Diminution in the Value of Investment	-	-	-	(0.10)

\*Refer Note 30 - Financial Instruments, Fair Values and Risk Measurement

**4 Other Financial Assets**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Term Deposits more than 12 Months Maturity	-	150.00
Office Rent Deposit	13.50	-
<b>Total</b>	<b>13.50</b>	<b>150.00</b>

**5 Other Non-Current Assets**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Others*	-	-
Capital Advances	-	3,010.00
<b>Total</b>	<b>-</b>	<b>3,010.00</b>

\* Refer Note No. 2B

**6 Trade Receivables**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Unsecured	-	-
Considered Good	-	185.53
<b>Total</b>	<b>-</b>	<b>185.53</b>

**Aging for Trade Receivables**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Undisputed Trade Receivables - Considered Good</b>		
Not Due	-	-
Less than 6 Months	-	185.53
6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
Less: Provision for Doubtful Trade Receivables	-	-
<b>Total</b>	<b>-</b>	<b>185.53</b>

7	Cash and Cash Equivalents	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	<b>Cash and Cash Equivalents</b>		
	Cash on Hand	13.12	13.62
	<b>Balances with Banks</b>		
	In Current Accounts	42.21	417.50
	<b>Balance with Others</b>		
	In Term Deposits with Original Maturity Less than 3 Months*	1,845.47	-
	<b>Total</b>	<b>1,900.80</b>	<b>431.12</b>

During the financial Year, the Company has given a short-term deposits to Sukhmehar Finance Pvt Ltd. The interest rate applicable is 9% per annum.

8	Loans	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	Unsecured, Considered Good		
	Advances Recoverable from Others	-	56.40
	<b>Total</b>	<b>-</b>	<b>56.40</b>

9	Other Financial Assets	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	Interest Receivable	45.25	12.15
	Other Receivables	5.12	11.32
	<b>Total</b>	<b>50.37</b>	<b>23.47</b>

10	Other Current Assets	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	Balances with Government Authorities	20.23	23.02
	Prepaid Expenses	-	0.07
	MAT Credit Receivable	10.20	10.20
	Others	3.50	-
	<b>Total</b>	<b>33.93</b>	<b>33.29</b>

11	i) Equity Share Capital	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	<b>Authorised</b>		
	9,60,00,000 Equity Shares of ₹ 1 each	960.00	960.00
	15,000 11% Cumulative Redeemable Preference Shares of ₹ 100 each - First Issue	15.00	15.00
	20,000 11% Cumulative Redeemable Preference Shares of ₹ 100 each - Second Issue	20.00	20.00
	5,00,000 Unclassified Shares of ₹ 1 each	5.00	5.00
	<b>Total</b>	<b>1,000.00</b>	<b>1,000.00</b>
	<b>Issued, Subscribed and Fully Paid-Up</b>		
	35,68,850 Equity Shares of ₹ 1 each (Fully Paid-Up)	35.69	35.69
	<b>Total</b>	<b>35.69</b>	<b>35.69</b>

## ii) Instruments Entirely Equity in Nature

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Compulsorily Convertible Debentures of ₹ 65 each	8,027.50	-
Convertible Warrants of ₹ 65 each	4,212.33	-
<b>Total</b>	<b>12,239.83</b>	<b>-</b>

## Reconciliation of Number of Shares

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shares Outstanding at the Beginning of the Year	3,568,850	35.69	1,618,850	16.19
Add: Shares Issued During the Year	-	-	1,950,000	19.50
Reduction in Share Capital by reduction in Number of Shares	-	-	-	-
<b>Shares Outstanding at the End of the Year</b>	<b>3,568,850</b>	<b>35.69</b>	<b>3,568,850</b>	<b>35.69</b>

## Details of Shareholders Holding More than 5% Equity Shares in the Company

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025		As at 31 <sup>st</sup> March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
<b>Fully Paid Equity Shares of ₹ 1 Each Held By:</b>				
ZR2 Group Holdings Ltd	2,175,640	61%	-	-
Nirmal Rajnikant Shah	341,250	10%	341,250	10%
Manish Ruparel	353,950	10%	353,950	10%
Sagar Samir Shah	-	-	496,530	14%
Rajasvee Sagar Shah	-	-	424,310	12%
Amoli Samir Shah	-	-	365,600	10%
Samir Rohitbhai Shah	-	-	279,800	8%
Swetsam Stock Holding Pvt Ltd	-	-	365,600	10%
Varun Falgun Sheth	-	-	243,800	7%

As per the records of the Company, including its registers of Shareholders / Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## Details of Shareholding of Promoters

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025			As at 31 <sup>st</sup> March, 2024		
	% of Holding	No. of Shares Held	% Change	% of Holding	No. of Shares Held	% Change
<b>Fully Paid Equity Shares of ₹ 1 Each Held By:</b>						
ZR2 Group Holdings Ltd	60.96%	2,175,640	60.96%	-	-	-
Sagar Samir Shah	-	-	-13.91%	13.91%	496,530	-16.76%
Rajasvee Sagar Shah	-	-	-11.89%	11.89%	424,310	-14.32%
Seraphim Ventures Pv Ltd	-	-	-	-	-	-1.04%
Amoli Samir Shah	-	-	-10.24%	10.24%	365,600	10.24%
Samir Rohitbhai Shah	-	-	-7.84%	7.84%	279,800	7.84%
Varun Falgun Sheth	-	-	-6.83%	6.83%	243,800	6.83%
Swetsam Stock Holding Pvt Ltd	-	-	-10.24%	10.24%	365,600	10.24%

## Rights, Preferences and Restrictions

- The Company has only one class of equity shares having a face value of ₹ 1 per share. Each holder of Equity Share is entitled to one vote per share.
- No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the Current Period / Year end.
- No class of shares have been bought back by the Company during the period of five years immediately preceding the Current Year end.

**12 Instruments Entirely Equity in Nature**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Compulsorily Convertible Debentures (CCDs)</b>		
Balance as on Beginning of the Year	-	-
Issue of Preferential CCDs	8,027.50	-
<b>Convertible Warrants</b>		
Balance as on Beginning of the Year	-	-
Issue of Warrants	4,212.33	-
<b>Balance at the End of the Year</b>	<b>12,239.83</b>	<b>-</b>

**13 Other Equity**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
<b>Securities Premium</b>		
Balance as on Beginning of the Year	1,189.50	-
Proceeds from Issue of Shares during the Year	-	1,189.50
<b>Balance at the End of the Year</b>	<b>1,189.50</b>	<b>1,189.50</b>
<b>Capital Reserve</b>		
Balance as on Beginning of the Year	171.31	171.31
<b>Balance at the End of the Year</b>	<b>171.31</b>	<b>171.31</b>
<b>Share Forfeiture Reserve</b>		
Balance as on Beginning of the Year	0.15	0.15
<b>Balance at the End of the Year</b>	<b>0.15</b>	<b>0.15</b>
<b>Retained Earnings</b>		
Balance as on Beginning of the Year	288.75	249.84
Add: Profit / (Loss) for the Year	8.22	38.91
<b>Balance at the End of the Year</b>	<b>296.97</b>	<b>288.75</b>
<b>Total</b>	<b>1,657.93</b>	<b>1,649.72</b>

The description of the nature and purpose of each reserve within equity is as follows:

**Securities Premium**

Securities Premium Reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

**Capital Reserve**

There has been no movement in the capital reserve during the year. Opening balance from previous year has been brought forward based on activity done from the previous management.

**14 Deferred Tax Liabilities / (Assets)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Deferred tax Liabilities / (Assets) in Relation to:		
Difference between written down Value / Capital-Work -in-Progress of Property, Plant & Equipment as per the Books of Accounts and Income Tax Act, 1961	0.09	(11.08)
<b>Total</b>	<b>0.09</b>	<b>(11.08)</b>

**15 Borrowings**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Unsecured, Repayable on Demand		
From Others	-	2,200.91
<b>Total</b>	<b>-</b>	<b>2,200.91</b>

**16 Trade Payables**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	8.61	0.49
<b>Total</b>	<b>8.61</b>	<b>0.49</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	-	-
Interest	-	-
<b>Total of Principal and Interest</b>	<b>-</b>	<b>-</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') is based on the information available with the Company: This has been relied upon by the auditors. Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises ('MSME'). On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 except as set out in the following disclosures.

		(₹ in Lakhs)	
<b>Aging Schedule for Other than MSME Creditors</b>		<b>As at 31<sup>st</sup> March, 2025</b>	<b>As at 31<sup>st</sup> March, 2024</b>
Disputed Dues		-	-
Others Undisputed Dues		-	-
Not Due		-	-
Less than 1 Year		8.61	0.53
1-2 Years		-	(0.03)
2-3 Years		-	-
More than 3 Years		-	-
<b>Total</b>		<b>8.61</b>	<b>0.49</b>
<b>17</b>	<b>Other Current Liabilities</b>	(₹ in Lakhs)	
<b>Particulars</b>		<b>As at 31<sup>st</sup> March, 2025</b>	<b>As at 31<sup>st</sup> March, 2024</b>
Others			
Statutory Liabilities		2.04	29.39
Other Payable		1.86	0.68
<b>Total</b>		<b>3.90</b>	<b>30.07</b>
<b>18</b>	<b>Provisions</b>	(₹ in Lakhs)	
<b>Particulars</b>		<b>As at 31<sup>st</sup> March, 2025</b>	<b>As at 31<sup>st</sup> March, 2024</b>
Other Provision		2.10	11.30
<b>Total</b>		<b>2.10</b>	<b>11.30</b>
<b>19</b>	<b>Revenue from Operations</b>	(₹ in Lakhs)	
<b>Particulars</b>		<b>FY 2024-25</b>	<b>FY 2023-24</b>
<b>Revenue from Contracts with Customers Recognised at a Point in Time</b>			
Domestic Market		149.45	157.37
Export Market		-	-
Less: Discounts		-	-
<b>Total</b>		<b>149.45</b>	<b>157.37</b>
<b>20</b>	<b>Other Income</b>	(₹ in Lakhs)	
<b>Particulars</b>		<b>FY 2024-25</b>	<b>FY 2023-24</b>
<b>Interest Income from Financial Assets at Amortised Cost</b>			
On Bank Deposits		1.10	14.10
Other Interest		47.88	9.66
Dividend Income		0.05	0.13
<b>Other Non-Operating Income</b>			
Net Gain Arising on Investments Measured at Fair Value through Profit and Loss		(0.25)	2.93
Provisions no longer required Written Back		11.30	-
Interest on Income Tax Refund		-	0.05
Miscellaneous Income		0.15	-
<b>Other Gains and Losses</b>			
Net Gain on Sale of Investments Measured at Fair Value through Profit and Loss		2.03	4.58
<b>Total</b>		<b>62.27</b>	<b>31.44</b>

<b>21</b>	<b>Purchase of Stock-in-Trade</b>	(₹ in Lakhs)	
	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
	Purchase of Traded Goods	125.60	132.24
	<b>Total</b>	<b>125.60</b>	<b>132.24</b>
<b>22</b>	<b>Employee Benefits Expense</b>	(₹ in Lakhs)	
	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
	Salaries, Wages and Benefits	18.03	1.35
	Staff Welfare Expenses	0.08	-
	<b>Total</b>	<b>18.11</b>	<b>1.35</b>
<b>23</b>	<b>Finance Costs</b>	(₹ in Lakhs)	
	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
	Others Interest	0.01	19.36
	<b>Total</b>	<b>0.01</b>	<b>19.36</b>
<b>2A</b>	<b>Depreciation and Amortisation Expense</b>	(₹ in Lakhs)	
	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
	Depreciation on Property, Plant and Equipment	4.35	0.14
	<b>Total</b>	<b>4.35</b>	<b>0.14</b>
<b>24</b>	<b>Other Expenses</b>	(₹ in Lakhs)	
	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
	Power and Fuel	0.05	0.01
	Printing and Stationery Expense	0.04	0.15
	Postage and Telegram	0.02	0.10
	Director Sitting Fees	-	0.60
	Brokerage and Commission	2.00	-
	Office Expenses	7.18	-
	Business Promotion	0.10	-
	Advertisement and Sales Promotion Expenses	0.99	0.40
	Legal and Professional Expenses	13.00	1.49
	Repairs and Maintenance		
	Machinery	0.38	-
	Others	3.48	-
	Rates, Fees and Taxes	4.68	7.56
	Bank Charges	0.49	-
	Payment to Auditors		
	Statutory Audit Fees	8.26	-
	In Other Capacity	0.78	0.68
	Miscellaneous Expenses	2.81	1.19
	<b>Total</b>	<b>44.26</b>	<b>12.18</b>



## 25 Assets and Liabilities Relating to Employee Benefits

See accounting policy in Note 1.(h)

The management of the Company is of the view that none of the employees were eligible in respect of which the Company was required to make contribution as per the provisions relating to the Payment of Gratuity and accordingly provision for gratuity was not required to be made. However, if the Company is required to make payment of gratuity on happening of any event / incident due to which the provisions relating to payment of gratuity becomes applicable to the Company, the same will be accounted as and when incurred.

## 26 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity Shares + Preference Shares + CCDs + Warrants outstanding during the year.

i	Profit Attributable to Equity Holders	(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	Particulars		
	Profit attributable to equity share holders of the Company for basic and diluted EPS	8.22	38.92

ii	Weighted Average Number of Ordinary Shares	(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
	Particulars		
	Equity Shares outstanding as at Year End	35.69	35.69
	Weighted average number of shares as at year end for Basic Earnings Per Share	35.69	35.69
	Weighted average number of shares as at year end for Diluted Earnings Per Share	418.41	35.69
	Basic Earnings Per Share	0.23	1.24
	Diluted Earnings Per Share	0.02	1.24

## 27 Related Party Disclosures as Per Ind AS 24

Names of Related Parties and Description of Relationships

### a. Holding Company

ZR2 Group Holdings Ltd

### b. Key Management Personnel

Jimmy Olsson - Promoter Director (w.e.f 26/07/2024)

Rajasvee Sagar Shah - Director (upto 26/07/2024)

Mahendra Agarwal - Chief Financial Officer (w.e.f 14/08/2024)

Sagar Samir Shah - Chairman and Director (upto 26/07/2024)

Viraj Varun Sheth - Whole-Time Director (upto 26/07/2024)

Samir Rohitkumar Shah - Chief Financial Officer (upto 14/08/2024)

Bhoomika Mangal - Company Secretary (upto 02/01/2025)

Palak Jain - Company Secretary (upto 28/02/2025)

### c. Non-Executive Directors

Nilesh Jayant Jain (w.e.f 26/07/2024)

**d. Independent Directors**

Sunil Kondiba Kalhapure

Nirupama Khandke (w.e.f 26/07/2024)

Barkha Balakrishnan Deshmukh (Upto 26/07/2024)

**e. Subsidiary Company**

ZR2 Solar Pvt Ltd

**f. Entities where KMP / Individual has Control / Significant Influence**

ZR2 SAF Pvt Ltd

ZR2 Hydrogen Pvt Ltd

ZR2 Cellnext Pvt Ltd

Sera Code Pvt Ltd (Upto 26/07/2024)

Barkha Deshmukh & Associates (Upto 26/07/2024)

Swetsam Stockholding Pvt Ltd (Upto 14/08/2024)

Sera Investments & Finance India Ltd (Upto 26/07/2024)

Seraphim Ventures Pvt Ltd (Upto 26/07/2024)

**g. Relative of KMP**

Amoli Samir Shah (Upto 26/07/2024)

Transactions during the period and balances outstanding for the period ended with the related parties are as follows:

Particulars	As at 31 <sup>st</sup> March, 2025							As at 31 <sup>st</sup> March, 2024						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>A. Transactions with Related Parties</b>														
Interest Paid														
Sera Investment and Finance India Ltd	-	-	-	-	-	12.01	-	-	-	-	-	-	18.61	-
Loan Taken														
Sera Investment and Finance India Ltd	-	-	-	-	-	600.27	-	-	-	-	-	-	1,518.63	-
Pre-Incorporation Expenses Incurred on Behalf of the Company														
ZR2 Group Holdings Ltd	18.21	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B. Outstanding Balances with Related Parties</b>														
Balance Receivables														
ZR2 Solar Pvt Ltd	-	-	-	-	-	5.12	-	-	-	-	-	-	-	-
Balance of Advance Received Towards Pre-Incorporation Expenses														
ZR2 Group Holdings Ltd	4.90	-	-	-	-	-	-	-	-	-	-	-	-	-

**Terms and Conditions of Transactions with Related Parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off / written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

**28 Income tax**

		(₹ in Lakhs)	
Particulars	FY 2024-25	FY 2023-24	
<b>(i) Tax Expense Recognised in the Statement of Profit and Loss</b>			
Current Tax on Profits for the Year	-	2.67	
Adjustments for Current Tax of prior periods	-	-	
Total Current Tax Expense	-	2.67	
Deferred Tax Charge / (Credit) P&L	11.17	(3.49)	
Total Deferred Tax Expense	11.17	(3.49)	
<b>Income Tax Expense Recognised in the Statement of Profit and Loss</b>	<b>11.17</b>	<b>(0.82)</b>	
<b>(ii) Tax Expense Recognised in OCI</b>			
Deferred Tax:			
Deferred Tax Expense on Remeasurement of defined benefit plans	-	-	
<b>Income Tax Expense Recognised in the Statement of Profit and Loss</b>	<b>11.17</b>	<b>(0.82)</b>	

		(₹ in Lakhs)		
<b>Deferred Tax</b>		<b>Balance Sheet as at</b>		<b>Profit &amp; Loss for the Year</b>
Particulars	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024
<b>Depreciation</b>	0.09	(11.08)	11.17	(3.49)
Deferred Tax Expense / (Income)				
Net Deferred Tax Liabilities	0.09	(11.08)	11.17	(3.49)
Reflected in the Balance Sheet as Follows				
Deferred Tax Liabilities	0.09	-	-	-
Deferred Tax Assets	-	(11.08)	-	-
<b>Deferred Tax Assets (Net)</b>	<b>0.09</b>	<b>(11.08)</b>	<b>-</b>	<b>-</b>

## 29 Fair Value Measurement

### Financial Instruments

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note 1.

### Calculation of Fair Values

The Fair Values of the Financial Assets and Liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the Fair Values of Financial Instruments:

- Financial Assets: Cash and Cash Equivalents, Trade Receivables, Other Financial Assets have Fair Values that approximate to their carrying amounts due to their short-term nature
- Financial Liabilities: The Fair Value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans)

The Accounting Classification of Each Category of Financial Instruments, and their Carrying Amounts are set out as below:

a Financial Assets <span style="float: right;">(₹ in Lakhs)</span>				
Instruments Carried at Fair Value	FVTPL	At Amortized Cost	Total Fair Value	Total Carrying Value
<b>As at 31<sup>st</sup> March, 2025</b>				
(i) Investment	-	10.00	10.00	10.00
(ii) Other Non-Current Financial Assets	-	13.50	13.50	13.50
(iii) Cash and Cash Equivalents	-	1,900.80	1,900.80	1,900.80
(iv) Other Financial Assets	-	50.37	50.37	50.37
<b>Total</b>	-	1,974.67	1,974.67	1,974.67
<b>As at 31<sup>st</sup> March, 2024</b>				
(i) Investment	-	26.15	26.15	26.15
(ii) Other Non-Current Financial Assets	-	150.00	150.00	150.00
(iii) Trade Receivables	-	185.53	185.53	185.53
(iv) Cash and Cash Equivalents	-	431.12	431.12	431.12
(v) Other Financial Assets	-	23.47	23.47	23.47
(vi) Loans	-	56.40	56.40	56.40
<b>Total</b>	-	872.67	872.67	872.67
<b>b Financial Liabilities <span style="float: right;">(₹ in Lakhs)</span></b>				
Instruments Carried at Fair Value	FVTPL	At Amortized Cost	Total Fair Value	Total Carrying Amount
<b>As at 31<sup>st</sup> March, 2025</b>				
(i) Borrowings	-	-	-	-
(ii) Trade Payables	-	8.61	8.61	8.61
<b>Total</b>	-	8.61	8.61	8.61
<b>As at 31<sup>st</sup> March, 2024</b>				
(i) Borrowings	-	2,200.91	2,200.91	2,200.91
(ii) Trade Payables	-	0.49	0.49	0.49
<b>Total</b>	-	2,201.40	2,201.40	2,201.40

### Fair Value Hierarchy

The Company uses the following hierarchy for determining and / or disclosing the Fair Value of Financial Instruments by Valuation Techniques:

**The categories used are as follows:**

**Level 1:** It includes Financial Instruments measured using quoted prices and the Mutual Funds are measured using the closing Net Asset Value (NAV)

**Level 2:** The Fair Value of Financial Instruments that are not traded in an active market 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:** Inputs for the Asset or Liability that are not based on observable market data (unobservable inputs)

## 30 Financial Risk Management

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

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

- a. **Credit Risk**
- b. **Liquidity Risk**
- c. **Market Risk**

### a Credit Risk

Credit Risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations. To manage Credit Risks from Trade Receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk."

Credit Risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that Financial Instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other Financial Instrument that represents a significant concentration of Credit Risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in Credit Risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in Credit Risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of Profit & Loss.

### Credit Risk is Managed at Company Level

For other Financial Assets, the Company assesses and manages Credit Risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of Financial Instruments with different characteristics.

The Company considers whether there has been a significant increase in Credit Risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a Financial Asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days for the 31<sup>st</sup> March 2025, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

The Company maintains exposure in Cash and Cash Equivalents, Deposits with Banks, Investments, and Other Financial Assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to Credit Risk at the reporting date is the carrying value of each class of Financial Assets. The Company believes that the current value of trade receivables reflects the Fair Value / Recoverable Values.

### b 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. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and Cash and Cash Equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### Maturities of Financial Liabilities

The tables below analyse the company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative Financial Liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at 31 <sup>st</sup> March, 2025			As at 31 <sup>st</sup> March, 2024		
	Carrying Amount	Contractual Cash Flows		Carrying Amount	Contractual Cash Flows	
		Upto 1 Year	More than 1 Year		Upto 1 Year	More than 1 Year
<b>Non-Derivative Financial Liabilities</b>						
Short Term Borrowings	-	-	-	2,200.91	2,200.91	-
Trade and Other Payables	8.61	8.61	-	0.49	0.49	-
Other Financial Liabilities	-	-	-	-	-	-

(₹ in Lakhs)

### c Market Risk

Market Risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

#### Capital Management & Risk Management

The Company's objectives when managing capital are to: 1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and 2. Maintain an optimal capital structure to reduce the cost of capital.

The Gearing Ratio is as follows:

Particulars	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024
(a) Interest Bearing Loans and Borrowings (Note 15)	-	2,200.91
(b) Less: Cash and bank balance (including other bank balance and book overdraft)	1,900.80	431.12
<b>(c) Net Debt (a) - (b)</b>	<b>(1,900.80)</b>	<b>1,769.79</b>
(d) Equity Share Capital (Note 11)	35.69	35.69
(e) Other Equity (Note 13)	1,657.94	1,649.72
<b>(f) Total capital (d) + (e)</b>	<b>1,693.62</b>	<b>1,685.41</b>
<b>(g) Total Capital and Net Debt (c) + (f)</b>	<b>3,594.42</b>	<b>3,455.20</b>
<b>(h) Gearing Ratio (c)/(g)</b>	<b>N/A*</b>	<b>0.51</b>

\* On account of 'NIL' interest bearing loans and borrowing as at 31<sup>st</sup> March, 2025

### 31 Financial Ratios

Particulars	UoM	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024	Δ Previous Year	Remarks for Variation Greater than 25%
1. Current Ratio	Times	135.90	0.33	13490%	Due to increase in balance in bank's current account and decrease in borrowings.
2. Debt Equity Ratio	Times	-	1.31	N / A	N / A
3. Debt Service Coverage Ratio	Times	N / A	N / A	N / A	N / A
4. Return on Equity Ratio	%	0.06%	3.67%	-100%	No operations post May 2024 and fresh equity infusion by the new promoters
5. Inventory Turnover Ratio	Times	N / A	N / A	N / A	N / A
6. Trade Receivables Turnover Ratio	Times	-	1.10	-100%	Changes in management wef May 2024, resulting in collecting of all previous dues resulting in no trade balance for FY 2025
7. Trade Payables Turnover Ratio	Times	14.59	1.00	1359%	Changes in management wef May 2024, resulting in paying of all operational dues and minimal trade balances for FY 2025
8. Net Capital Turnover Ratio	Times	0.08	(0.10)	-92%	No operations post May 2024 and fresh equity infusion by the new promoters
9. Profit Ratio	%	5.50%	24.73%	-95%	No operations post May 2024 resulting in profit value changes
10. Return on Capital Employed	%	0.06%	0.95%	-100%	No operations post May 2024 and all outstanding Debts were paid and infusion of equity resulting in changes in ROCE
11. Return on Investment	%	N / A	N / A	N / A	N / A



**Notes:**

1.  $\text{Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$
2.  $\text{Debt Equity Ratio} = \text{Total Debt} / \text{Total Equity}$
3.  $\text{Debt Service Coverage Ratio} = \text{Earnings before Interest and Tax} / \text{Interest Expense} + \text{Principal Repayments made during the year for long term loans}$
4.  $\text{Return on Equity} = \text{Profit After Tax} / \text{Net Worth}$
5.  $\text{Inventory Turnover Ratio} = \text{Cost of Goods Sold} / \text{Average Inventories}$
6.  $\text{Trade Receivables Turnover Ratio} = \text{Revenue from Operations} / \text{Trade Receivables}$
7.  $\text{Trade Payables Turnover Ratio} = \text{Credit Purchases} / \text{Trade Payables}$
8.  $\text{Net Capital Turnover Ratio} = \text{Revenue from Operations} / \text{Net Working Capital}$
9.  $\text{Profit Ratio} = \text{Net Working Capital} / \text{Revenue from Operations}$
10.  $\text{Return on Capital Employed} = \text{Net Profit After Tax} + \text{Deferred Tax Expense} / (\text{Income}) + \text{Finance Cost} (-) \text{Other Income from Cash \& Other Marketable Securities} / \text{Capital Employed}$
11.  $\text{Return on Investment} = \text{Net Profit After Tax} / \text{Total Investment}$

**32 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013**

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- a. The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- b. The Company does not have any transactions with companies which are struck off
- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
  - i. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - i. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - ii. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries."
- g. The Company does not have 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.
- h. The Company is not declared willful defaulter by any bank or financial institution or lender during the year.
- i. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at Balance Sheet date.

### 33 Audit Trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

The Company, in respect of financial year commencing on or after the 1<sup>st</sup> April, 2024, has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year except for during 1<sup>st</sup> April, 2024 to 25<sup>th</sup> September, 2024 for all transactions recorded in the software. Further, during the course of our audit, the Company did not come across any instance of the audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention, in respect of such accounting software's for which the audit trail feature was enabled and operating.

### 34 Events Occurring After the Reporting Period

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of Financial Statements to determine the necessity for recognition and / or reporting of subsequent events and transactions in the financial statements.

**35** Certain Financial Assets and Financial Liabilities are subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the Financial Statements will not be material.

**36** Previous year figures have been re-grouped / re-classified wherever necessary to conform current years' classification.

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Mohak Goel**  
Partner  
M. No. 159883

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

**Mahendra Agarwal**  
Chief Financial Officer

**Shital Gurav**  
Company Secretary  
Membership No. A73942

# Independent Auditor's Report

To  
**The Members of ZR2 Bioenergy Limited**  
**(Formerly known as Gujchem India Distillers Limited)**  
**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the consolidated financial statements of **ZR2 Bioenergy Limited (Formerly known as Gujchem India Distillers Limited)** ("the Parent"), and its subsidiary (hereinafter to be referred as "the Group") which comprises of consolidated Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the consolidated 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 consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

## Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group and subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Capital Expenditure in respect of Capital Work In Progress:</p> <p>The Company is in process of executing projects for acquisition of a project and expansion of various other projects. These projects take a substantial period of time to get ready for intended use :</p> <p>We considered Capital Expenditure as key audit matter due to :</p> <ul style="list-style-type: none"> <li>Judgement and estimate required by the management in assessing assets meeting the capitalisation criteria set out in Ind AS 16.</li> <li>Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16.</li> </ul>	<p>Our audit procedures included and were not limited to the following: -</p> <ul style="list-style-type: none"> <li>Assessed the design and operating effectiveness of the controls with respect to capital expenditure incurred and classified under capital work in progress.</li> <li>Obtained the understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.</li> </ul>

### **Information Other than the Consolidated Financial Statements and Auditor's report thereon**

The Parent's Board of Directors are responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report but does not include the financial statement and our auditor's report thereon.

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

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 Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its subsidiary in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors/ Management of the companies included in the Group and of its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its subsidiary and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors / Management of the companies included in the Group and of its subsidiary are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors / Management of the companies included in the Group and of its subsidiary are also responsible for overseeing the financial reporting process of the Group and subsidiary.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its subsidiary to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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.

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

#### Other Matters

Attention is drawn to fact that the figures for the comparative period cannot be presented as the subsidiary was incorporated during the year ended March 31, 2024.

Our opinion is not modified in respect of the above matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Parent so far as it appears from our examination of those books and records except for not complying with the requirement of audit trail as stated in (1)(vi) below.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
- (e) On the basis of the written representation received from the directors as on March 31, 2025 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a Directors in terms of Section 164(2) of the Act.
- (f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- (g) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Holding Company and its subsidiary and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report attached with the standalone financial statements included in this annual report.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Group has not paid remuneration to its directors during the year.
- (i) With respect to the matters to be included in the Auditor's report in accordance with the 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 Group does not have any pending litigation which would impact its financial position as at March 31, 2025.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2025.
  - iv.
    - (a) The respective managements of the Group has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The respective managements of the Group has represented that, to the best of its knowledge and belief, no funds have been received by the Parent from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
  - v. The Group has not declared or paid any dividend during the year ended March 31, 2025 and hence reporting compliance of Section 123 of the Act is not applicable.
  - vi. (A) Based on our examination which included test checks, the Parent company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year except for during 1<sup>st</sup> April, 2024 to 25<sup>th</sup> September, 2024 for all transactions recorded in the software. Consequent to this, we are unable to comment whether there were any instances of the audit trail feature being tampered with during this period. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of such accounting software's for the period for which the audit trail feature was enabled and operating. Additionally,

the audit trail has been preserved by the Company as per the statutory requirements for record retention, in respect of such accounting software's for which the audit trail feature was enabled and operating.

- (B) Based on our examination which included test checks, the subsidiary has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been not enabled throughout the year for all transactions recorded in the software.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks in the CARO reports of the said entities included in the consolidated financial statements.

**For Bagaria & Co., LLP**  
**Chartered Accountants**  
**Firm Registration No.113447W/W-100019**

**Mohak Goel**  
**Partner**  
**Membership No: 159883**  
**UDIN: 25159883BMITCE2732**

**Place: Mumbai**  
**Date: 29<sup>th</sup> May, 2025**



# Consolidated Balance Sheet

(₹ in Lakhs)

Particulars	Notes	As at 31 <sup>st</sup> March, 2025
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2A	49.87
Capital Work-in-Progress	2B	11,895.79
Other Financial Assets	3	13.50
<b>Total Non-Current Assets</b>		<b>11,959.17</b>
<b>Current Assets</b>		
Financial Assets		
Trade Receivables	4	2.36
Cash and Cash Equivalents	5	1,909.35
Other Financial Assets	6	45.25
Other Current Assets	7	33.93
<b>Total Current Assets</b>		<b>1,990.89</b>
<b>TOTAL ASSETS</b>		<b>13,950.06</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	8	35.69
Instruments Entirely Equity in Nature	9	12,239.83
Other Equity	10	1,658.73
<b>Total Equity</b>		<b>13,934.25</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities (Net)	11	0.09
<b>Total Non-Current Liabilities</b>		<b>0.09</b>
<b>Current Liabilities</b>		
Financial liabilities		
Trade Payables	12	
Total Outstanding Dues of Micro and Small Enterprises		
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		8.61
Other Current Liabilities	13	5.01
Provisions	14	2.10
<b>Total Current Liabilities</b>		<b>15.72</b>
<b>Total Liabilities</b>		<b>15.81</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,950.06</b>
Material accounting policies, key accounting estimates and judgements	1	
The accompanying notes form an integral part of the consolidated financial statements	2-31	

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Mohak Goel**  
Partner  
M. No. 159883

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

**Mahendra Agarwal**  
Chief Financial Officer

**Shital Gurav**  
Company Secretary  
Membership No. A73942

# Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Notes	FY 2024-25
Revenue from Operations	15	149.45
Other Income	16	64.27
<b>Total Income</b>		<b>213.72</b>
<b>Expenses</b>		
Purchase of Traded Goods	17	125.60
Employee Benefits Expense	18	18.11
Finance Costs	19	0.01
Depreciation and Amortisation Expense	2A	4.35
Other Expenses	20	45.46
<b>Total Expenses (II)</b>		<b>193.53</b>
<b>Profit Before Tax and Exceptional Items (I-II)</b>		<b>20.19</b>
<b>Exceptional Items</b>		-
<b>Profit Before Tax (I-II)</b>		<b>20.19</b>
<b>Tax Expense</b>		
Deferred Tax	11	11.17
<b>Profit for the Year</b>		<b>9.02</b>
<b>Other Comprehensive Income (OCI)</b>		-
<b>Total Other Comprehensive Income (Net of Tax)</b>		-
<b>Total Comprehensive Income for the Year</b>		<b>9.02</b>
Earnings per Equity Share of ₹ 1 Each	22	
- Basic (in ₹)		0.25
- Diluted (in ₹)		0.02

Material accounting policies, key accounting estimates and judgements

1

The accompanying notes form an integral part of the financial statements

2-36

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Mohak Goel**  
Partner  
M. No. 159883

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

**Mahendra Agarwal**  
Chief Financial Officer

**Shital Gurav**  
Company Secretary  
Membership No. A73942

# Cash Flow Statement

(₹ in Lakhs)

Particulars	FY 2024-25
<b>Cash Flow from Operating Activities:</b>	
Net Profit Before Tax as per Statement of Profit and Loss	20.19
<b>Adjusted for:</b>	
Depreciation and Amortization	4.35
(Profit) / Loss on Sale or Remeasurement at FVTPL of Investment	(1.79)
Interest Received	(48.98)
Dividend Received	(0.05)
Profit on Sale / Disposal of Immovable Property	-
Interest and Finance Costs	0.01
<b>Operating Cash Flow before Working Capital Changes</b>	<b>(26.26)</b>
<b>Adjusted for:</b>	
(Increase) / Decrease in Trade Receivables	183.17
(Increase) / Decrease in Current Financial Assets	(21.78)
(Increase) / Decrease in Other Non-Current Assets	3,010.00
(Increase) / Decrease in Other Financial Assets	(13.50)
(Increase) / Decrease in Other Current Assets	(0.64)
Increase / (Decrease) in Trade Payables	8.11
Increase / (Decrease) in Other Current Liabilities	(25.06)
Increase / (Decrease) in Provisions	(9.20)
<b>Cash Generated from / (used in) Operations</b>	<b>3,104.84</b>
Less: Income Taxes (Paid) / Refund (net)	-
<b>Net Cash Generated from / (used in) Operating Activities</b> [A]	<b>3,104.84</b>
<b>Cash Flow From Investing Activities:</b>	
Purchase of Fixed Assets / Capital Work-in-Progress	(11,948.88)
Interest Income on Loans and Advances Given	48.98
(Payments) / Proceeds from Loans & Advances (net)	56.40
(Increase) / Decrease in Bank Deposits	150.00
(Payments) / Proceeds from Sale of Investments (net)	27.94
Proceeds from Sale of Immovable Property	-
Dividend Received	0.05
<b>Net Cash Flow From / (used in) Investing Activities</b> [B]	<b>(11,665.51)</b>
<b>Cash Flow From Financing Activities:</b>	
Proceeds from Long Term Borrowing (net)	(2,200.91)
Proceeds from Issue of Equity Shares	-
Proceeds from Issue of Share Warrants	4,212.33
Proceeds from Issue of Compulsory Convertible Debentures	8,027.50
Interest & Finance Costs	(0.01)
<b>Net Cash Flow from / (used in) Financing Activities</b> [C]	<b>10,038.90</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b> [A+B+C]	<b>1,478.23</b>
Cash and Cash Equivalents as at Beginning of the Year	431.12
<b>Cash and Cash Equivalents as at End of the Year</b>	<b>1,909.35</b>

For Bagaria & Co LLP  
Chartered Accountants  
FRN: 113447W/W-100019

**Mohak Goel**  
Partner  
M. No. 159883

Place: Mumbai  
Date: 29<sup>th</sup> May, 2025

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Mahendra Agarwal**  
Chief Financial Officer

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Shital Gurav**  
Company Secretary  
Membership No. A73942

# Statement of Changes in Equity

A	Equity Share Capital	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	
		No of Shares	Amount
	Opening Balance	3,568,850	35.69
	Changes during the Year	-	-
	Closing Balance	3,568,850	35.69
B	Instruments Entirely Equity in Nature		
i	Compulsorily Convertible Debentures (CCDs)	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	
		No of Shares	Amount
	Opening Balance	-	-
	Changes during the Year	12,350,000	8,027.50
	Closing Balance	12,350,000	8,027.50
ii	Convertible Warrants	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	
		No of Shares	Amount
	Opening Balance	-	-
	Changes during the Year	25,922,000	4,212.33
	Closing Balance	25,922,000	4,212.33
C	Other Equity	(₹ in Lakhs)	
	Particulars	As at 31 <sup>st</sup> March, 2025	
	Securities Premium Reserves		
	Opening Balance	1,189.50	
	Profit / (Loss) for the Year	-	
	Proceeds from Issue of Shares During the Year	-	
	Closing Balance	1,189.50	
	Capital Reserve		
	Opening Balance	171.31	
	Profit / (Loss) for the Year	-	
	Proceeds from Issue of Shares During the Year	-	
	Closing Balance	171.31	
	Retained Earnings		
	Opening Balance	288.75	
	Profit / (Loss) for the Year	8.22	
	Proceeds from Issue of Shares During the Year	-	
	Closing Balance	296.97	
	Share Forfeiture		
	Opening Balance	0.15	
	Profit / (Loss) for the Year	-	
	Proceeds from Issue of Shares During the Year	-	
	Closing Balance	0.15	
	Total	1,657.93	

# Notes to Consolidated Financial Statement

## Group Overview

The consolidated financial statements comprises financial statements of ZR2 Bioenergy Limited (Formerly Known as Gujchem Distillers India Ltd), Parent Company, and its subsidiary (hereinafter referred as “the Group”).

ZR2 Bioenergy Limited (Formerly Known as Gujchem Distillers India Ltd) is a Public Limited Company Has Been Incorporated Under the Provisions of the Companies Act, 1956. The Shares of the Company Are Listed In the Bombay Stock Exchange Limited (‘BSE’).

## Group Structure:

Name of the Company	Nature	Shareholding as at 31 <sup>st</sup> March, 2025
ZR2 Solar Private Limited (Subsidiary w.e.f 4 <sup>th</sup> October, 2024)	Wholly Owned Subsidiary	100%

## 1 A) Material Accounting Policies

The material accounting policies applied by the company in the preparation of the consolidated financial statements are listed below. Such accounting policies have been consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

### a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind-AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statement.

Accordingly, the Group has prepared these consolidated financial statements which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as “Consolidated Financial Statements”).

These consolidated financial statements are approved for issue by the Board of Directors on 29<sup>th</sup> May, 2025.

### b. Basis of preparation and presentation

The consolidated Statement financial statements have been prepared under the historical cost convention with the exception of certain financial instruments that are required to be measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind-AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### c. Basis of Preparation of Consolidated Financial Statement

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 31<sup>st</sup> March 2025.

#### Subsidiaries:

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

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

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

#### Consolidation procedure:

#### Subsidiaries:

- Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory

and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance.

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**d. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

**e. For other accounting policies - Refer significant accounting policies mentioned in the standalone financial statements.**

**2A Property, Plant and Equipment**

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31 <sup>st</sup> March, 2024	Addition / Deduction / Adjustment	As at 31 <sup>st</sup> March, 2025	As at 31 <sup>st</sup> March, 2024	Depreciation for the Year	Disposal of Assets	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2025
Building	2.18	-	2.18	1.68	0.05	-	0.50	0.45
Plant and Machinery	5.31	-	5.31	5.31	-	-	0.00	0.00
Furniture and Fixture	7.82	5.79	13.62	7.17	0.51	-	0.65	5.93
Office Equipment	1.84	12.00	13.84	1.84	1.97	-	0.00	10.04
Vehicles	-	35.29	35.29	-	1.82	-	-	33.46
<b>Total</b>	<b>17.15</b>	<b>53.08</b>	<b>70.24</b>	<b>16.01</b>	<b>4.35</b>	<b>-</b>	<b>1.14</b>	<b>49.87</b>

**Notes:**

- i) The title deeds of immovable properties are held in the name of the Group.
- ii) Refer below note for the disclosure of contractual commitments for the acquisition of Property, Plant & Equipments.

**2B Capital Work-in-Progress (CWIP)**

Particulars	As at 31 <sup>st</sup> March, 2024					Total
	Plant & Machinery (including Building)	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	11,895.79	11,895.79	-	-	-	11,895.79
<b>As at 31<sup>st</sup> March, 2025</b>	<b>11,895.79</b>	<b>11,895.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,895.79</b>

As at 31<sup>st</sup> March 2025, the Capital Work-in-Progress includes an amount of ₹11,710 lakhs paid to Padmashri Dr. Vitthalrao Vikhe Patil Sahakari Sakhar Karkhana Ltd (PVVSSKL) towards the strategic partnership of existing ethanol distillery and biogas business (Biorefinery asset). The proposed structure is subject to approval by the Government of Maharashtra. As per the proposed arrangement the company will Build-Own-Operate-Transfer (BOOT) the Biorefinery for a period of 15 years which may be extended by another 14 years totalling 29 years. Further, the Group has incurred ₹179.68 lakhs towards project-related pre-operative expenses, which have been included under CWIP. Accordingly, the total project expenditure continues to be disclosed under Capital Work-in-Progress, pending finalisation of legal documentation and project execution of the Biorefinery asset. It is also noted that, as disclosed in Note 5 - Advances to Others in the financial statements for the year ended 31<sup>st</sup> March 2024, a non-refundable advance of ₹3,010 lakhs previously paid to PVVSSKL has been reclassified under Capital Work-in-Progress as on 31<sup>st</sup> March 2025.



<b>3</b>	<b>Other Financial Assets</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	Term Deposits more than 12 Months Maturity	-
	Office Rent Deposit	13.50
	<b>Total</b>	<b>13.50</b>

<b>4</b>	<b>Trade Receivables</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	<b>Unsecured</b>	
	Considered Good	2.36
	<b>Total</b>	<b>2.36</b>

	<b>Aging for Trade Receivables</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	<b>Undisputed Trade Receivables - Considered Good</b>	
	Not Due	-
	Less than 6 Months	2.36
	6 Months - 1 Year	-
	1 - 2 Years	-
	2 - 3 Years	-
	More than 3 Years	-
	Less: Provision for Doubtful Trade Receivables	-
	<b>Total</b>	<b>2.36</b>

<b>5</b>	<b>Cash and Cash Equivalents</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	<b>Cash and Cash Equivalents</b>	
	Cash on Hand	13.12
	Balances with Banks	
	In Current Accounts	50.76
	Balance with Others	
	In Term Deposits with Original Maturity Less than 3 Months*	1,845.47
	<b>Total</b>	<b>1,909.35</b>

\*During the financial year, the Group has given a short-term deposits to Sukhmehar Finance Pvt Ltd. The interest rate applicable is 9% per annum.

<b>6</b>	<b>Other Financial Assets</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	Interest Receivable	45.25
	<b>Total</b>	<b>45.25</b>

**7 Other Current Assets**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025
Balances with Government Authorities	20.23
MAT Credit Receivable	10.20
Others	3.50
<b>Total</b>	<b>33.93</b>

**11 i) Equity Share Capital**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025
<b>Authorised</b>	
9,60,00,000 Equity Shares of ₹ 1 each	960.00
15,000 11% Cumulative Redeemable Preference Shares of ₹ 100 each - First Issue	15.00
20,000 11% Cumulative Redeemable Preference Shares of ₹ 100 each - Second Issue	20.00
5,00,000 Unclassified Shares of ₹ 1 each	5.00
<b>Total</b>	<b>1,000.00</b>
<b>Issued, Subscribed and Fully Paid-Up</b>	
35,68,850 Equity Shares of ₹ 1 each Fully Paid	35.69
<b>Total</b>	<b>35.69</b>

**ii) Instruments Entirely Equity in Nature**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025
Compulsorily Convertible Debentures of ₹ 65 each	8,027.50
Convertible Warrants of ₹ 65 each	4,212.33
<b>Total</b>	<b>12,239.83</b>

**Reconciliation of Number of Shares**

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025	
	No. of Shares	Amount
Shares Outstanding at the Beginning of the Year	3,568,850	35.69
Add: Shares Issued During the Year	-	-
Reduction in Share Capital by reduction in Number of Shares	-	-
<b>Shares Outstanding at the End of the Year</b>	<b>3,568,850</b>	<b>35.69</b>

**Details of Shareholders Holding More than 5% Equity Shares in the Company**

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025	
	No. of Shares	Amount
<b>Fully Paid Equity Shares of ₹ 1 each held by:</b>		
ZR2 Group Holdings Ltd	2,175,640	60.96%
Nirmal Rajnikant Shah	341,250	9.56%
Manish Ruparel	353,950	9.92%

As per the records of the Company, including its registers of Shareholders / Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**Details of Shareholding of Promoters**

(₹ in Lakhs)

Equity Shares	As at 31 <sup>st</sup> March, 2025		
	% of Holding	No. of Shares Held	% Change
<b>Fully Paid Equity Shares of ₹ 1 Each Held By:</b>			
ZR2 Group Holdings Ltd	60.96%	2,175,640	60.96%
Sagar Samir Shah	0.00%	-	-13.91%
Rajasvee Sagar Shah	0.00%	-	-11.89%
Seraphim Ventures Pvt Ltd	0.00%	-	0.00%
Amoli Samir Shah	0.00%	-	-10.24%
Samir Rohitbhai Shah	0.00%	-	-7.84%
Varun Falgun Sheth	0.00%	-	-6.83%
Swetsam Stock Holding Pvt Ltd	0.00%	-	-10.24%

**Rights, Preferences and Restrictions**

- The Company has only one class of equity shares having a face value of ₹ 1 per share. Each holder of Equity Share is entitled to one vote per share.
- No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the Current Period / Year end.
- No class of shares have been bought back by the Company during the period of five years immediately preceding the Current Year end.

**9 Instruments Entirely Equity in Nature**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025
<b>Compulsorily Convertible Debentures (CCDs)</b>	
Balance as on Beginning of the Year	-
Issue of Preferential CCDs	8,027.50
<b>Convertible Warrants</b>	
Balance as on Beginning of the Year	-
Issue of Warrants	4,212.33
<b>Balance at the End of the Year</b>	<b>12,239.83</b>

**10 Other Equity**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025
<b>Securities Premium</b>	
Balance as on Beginning of the Year	1,189.50
Proceeds from Issue of Shares during the Year	-
<b>Balance at the End of the Year</b>	<b>1,189.50</b>
<b>Capital Reserve</b>	
Balance as on Beginning of the Year	171.31
Balance as on Beginning of the Year	-
<b>Balance at the End of the Year</b>	<b>171.31</b>
<b>Share Forfeiture Reserve</b>	
Balance as on Beginning of the Year	0.15
Add: Transfer from Equity	-
<b>Balance at the End of the Year</b>	<b>0.15</b>

(Contd.)

10	Other Equity	(₹ in Lakhs)
	Particulars	As at 31 <sup>st</sup> March, 2025
	<b>Retained Earnings</b>	
	Balance as on Beginning of the Year	288.75
	Add: Profit / (Loss) for the Year	9.02
	<b>Balance at the End of the Year</b>	<b>297.77</b>
	<b>Total</b>	<b>1,658.73</b>

The description of the nature and purpose of each reserve within equity is as follows:

#### Securities Premium

Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

#### Capital Reserve

There has been no movement in the capital reserve during the year. Opening balance from previous year has been brought forward based on activity done from the previous management.

15	Revenue from Operations	(₹ in Lakhs)
	Particulars	As at 31 <sup>st</sup> March, 2025
	<b>Revenue from Contracts with Customers Recognised at a Point in Time</b>	
	Domestic Market	149.45
	Export Market	-
	Less: Discounts	-
	<b>Total</b>	<b>149.45</b>

16	Other Income	(₹ in Lakhs)
	Particulars	FY 2024-25
	<b>Interest Income from Financial Assets at Amortised Cost</b>	
	On Bank Deposits	1.10
	Other Interest	47.88
	Dividend Income	0.05
	<b>Other Non-Operating Income</b>	
	Net Gain Arising on Investments Measured at Fair Value through Profit and Loss	(0.25)
	Provisions no longer required Written Back	11.30
	MAT Credit	-
	Consultancy Services	2.00
	Miscellaneous Income	0.15
	<b>Other Gains and Losses</b>	
	Net gain on sale of Investments measured at fair value through profit and loss	2.03
	<b>Total</b>	<b>64.27</b>

17	Purchase of Stock-in-Trade	(₹ in Lakhs)
	Particulars	FY 2024-25
	Purchase of Traded Goods	125.60
	<b>Total</b>	<b>125.60</b>

<b>18</b>	<b>Employee Benefits Expense</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>FY 2024-25</b>
	Salaries, Wages and Benefits	18.03
	Staff Welfare Expenses	0.08
	<b>Total</b>	<b>18.11</b>
<b>19</b>	<b>Finance Costs</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>FY 2024-25</b>
	Other Interest	0.01
	<b>Total</b>	<b>0.01</b>
<b>2A</b>	<b>Depreciation and Amortisation Expense</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>FY 2024-25</b>
	Depreciation on Property, Plant and Equipment	4.35
	<b>Total</b>	<b>4.35</b>
<b>20</b>	<b>Other Expenses</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>FY 2024-25</b>
	Power and Fuel	0.05
	Printing & Stationery Expense	0.04
	Postage & Telegram	0.02
	Brokerage and Commission	2.00
	Office Expenses	7.18
	Business Promotion	0.10
	Advertisement and Sales Promotion Expenses	0.99
	Legal and Professional Expenses	13.23
	Travelling & Conveyance	(0.00)
	Repairs & Maintenance	
	Machinery	0.38
	Others	3.48
	Rates, Fees and Taxes	4.68
	Bank Charges	0.64
	Payment to Auditors	
	Statutory Audit Fees	9.01
	In other Capacity	0.78
	Miscellaneous Expenses	2.88
	<b>Total</b>	<b>45.46</b>

**21 Assets and Liabilities Relating to Employee Benefits**

See accounting policy in Note 1.(h) of the standalone financial statement

As per the Payment of Gratuity Act, 1972, gratuity is payable to employees who have completed five years of continuous service. As of the reporting date, the management has assessed that none of the employees meet the eligibility criteria under the Act. Accordingly, no provision for gratuity has been recognized in the financial statements. The Company monitors employee tenure and will recognize a provision for gratuity in accordance with Ind AS 19 – Employee Benefits, should any employee become eligible or if circumstances change such that the obligation becomes probable. Management believes that this approach reflects the current legal and financial position of the Company. This note will be reviewed periodically to ensure compliance with applicable laws and accounting standards.”

## 22 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity Shares + Preference Shares + CCDs + Warrants outstanding during the year.

i	<b>Profit Attributable to Equity Holders</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	Profit attributable to equity share holders of the Company for basic and diluted EPS	9.02
ii	<b>Weighted Average Number of Ordinary Shares</b>	(₹ in Lakhs)
	<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2025</b>
	Equity Shares outstanding as at Year End	35.69
	Weighted average number of shares as at year end for Basic Earnings Per Share	35.69
	Weighted average number of shares as at year end for Diluted Earnings Per Share	418.41
	Basic Earnings Per Share	0.25
	Diluted Earnings Per Share	0.02

## 23 Related Party Disclosures as Per Ind AS 24

### Names of Related Parties and Description of Relationships

#### a. Holding Company

ZR2 Group Holdings Ltd

#### b. Key Management Personnel:

Jimmy Olsson - Promoter Director (w.e.f 26/07/2024)

Rajasvee Sagar Shah - Director (upto 26/07/2024)

Mahendra Agarwal - Chief Financial Officer (w.e.f 14/08/2024)

Sagar Samir Shah - Chairman and Director (upto 26/07/2024)

Viraj Varun Sheth - Whole-Time Director (upto 26/07/2024)

Samir Rohitkumar Shah - Chief Financial Officer (upto 14/08/2024)

Bhoomika Mangal - Company Secretary (upto 02/01/2025)

Palak Jain - Company Secretary (upto 28/02/2025)

#### c. Non-Executive Directors

Nilesh Jayant Jain (w.e.f 26/07/2024)

#### d. Independent Directors

Sunil Kondiba Kalhapure

Nirupama Charuhas Khandke (w.e.f 26/07/2024)

Barkha Balakrishnan Deshmukh (Upto 26/07/2024)

#### e. Entities where KMP/ Individual has Control / Significant Influence

ZR2 SAF Pvt Ltd

ZR2 Hydrogen Pvt Ltd

ZR2 Cellnext Pvt Ltd

Sera Code Pvt Ltd (Upto 26/07/2024)

Barkha Deshmukh & Associates (Upto 26/07/2024)

Swetsam Stockholding Pvt Ltd (Upto 14/08/2024)  
Sera Investments & Finance India Ltd (Upto 26/07/2024)  
Seraphim Ventures Pvt Ltd (Upto 26/07/2024)

**f. Relative of KMP**

Amoli Samir Shah (Upto 26/07/2024)

**Transactions during the period and balances outstanding for the period ended with the related parties are as follows:** (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2025						
Referred above in	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>A. Transactions with Related Parties</b>							
<b>Interest Paid</b>							
Sera Investment and Finance India Ltd	-	-	-	-	12.01	-	-
<b>Loan Taken</b>							
Sera Investment and Finance India Ltd	-	-	-	-	600.27	-	-
<b>Pre-Incorporation Expenses Incurred on Behalf of the Company</b>							
ZR2 Group Holdings Ltd	18.21	-	-	-	-	-	-
<b>B. Outstanding Balances with Related Parties</b>							
<b>Balance of Advance Received Towards Pre-Incorporation Expenses</b>							
ZR2 Group Holdings Ltd	4.90	-	-	-	-	-	-

**Terms and Conditions of Transactions with Related Parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off / written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

**24 Income tax**

**A Current Tax**

**The major component of income tax expense for the years ended 31st March, 2025 are as follows:**

Particulars	(₹ in Lakhs)
<b>FY 2024-25</b>	
<b>(i) Tax Expense Recognised in the Statement of Profit and Loss</b>	
Current Tax on Profits for the Year	-
Adjustments for Current Tax of prior periods	-
Total Current Tax Expense	-
Deferred Tax Charge / (Credit) P&L	11.17
Total Deferred Tax Expense	11.17
<b>Income Tax Expense Recognised in the Statement of Profit and Loss</b>	<b>11.17</b>
<b>(ii) Tax Expense Recognised in OCI</b>	
Deferred Tax:	-
Deferred Tax Expense on Remeasurement of defined benefit plans	-
<b>Income Tax Expense Recognised in the Statement of Profit and Loss</b>	<b>11.17</b>

**B Deferred Tax**

Components of Deferred tax assets and (liabilities) recognized in the financial statements of the Company are as follows:

Particulars	(₹ in Lakhs)	
	Balance Sheet as at	Profit & Loss for Year End
	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2025
<b>Depreciation</b>	0.09	11.17
Deferred Tax Expense / (Income)		
Net Deferred Tax Liabilities	0.09	11.17
Reflected in the Balance Sheet as Follows		-
Deferred Tax Liabilities	0.09	-
Deferred Tax Assets		-
<b>Deferred Tax Assets (Net)</b>	<b>0.09</b>	<b>-</b>

**25 Fair Value Measurement****Financial instruments**

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note 1 of the standalone financial statement

**Calculation of fair values**

The Fair Values of the Financial Assets and Liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the Fair Values of Financial Instruments:

- Financial Assets: Cash and Cash Equivalents, Trade Receivables, Other Financial Assets, Trade Payables, and Other Financial Liabilities have Fair Values that approximate to their carrying amounts due to their short-term nature.
- Financial Liabilities: The Fair Value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).

The Accounting Classification of Each Category of Financial Instruments, and their Carrying Amounts are set out as below:

a Financial Assets (₹ in Lakhs)				
Instruments Carried at Fair Value	FVTPL	At Amortized Cost	Total Fair Value	Total Carrying Value
<b>As at 31<sup>st</sup> March, 2025</b>				
(i) Other Non-Current Financial Assets	-	13.50	13.50	13.50
(ii) Trade Receivables	-	2.36	2.36	2.36
(iii) Cash and Cash Equivalents	-	1,909.35	1,909.35	1,909.35
(iv) Other Financial Assets	-	45.25	45.25	45.25
<b>Total</b>	<b>-</b>	<b>1,970.46</b>	<b>1,970.46</b>	<b>1,970.46</b>
<b>b Financial Liabilities (₹ in Lakhs)</b>				
Instruments Carried at Fair Value	FVTPL	At Amortized Cost	Total Fair Value	Total Carrying Amount
<b>As at 31<sup>st</sup> March, 2025</b>				
(i) Borrowings	-	-	-	-
(ii) Trade Payables	-	8.61	8.61	8.61
<b>Total</b>	<b>-</b>	<b>8.61</b>	<b>8.61</b>	<b>8.61</b>

\*The carrying value and fair value approximation, if any.



### Fair Value Hierarchy

The Company uses the following hierarchy for determining and/or disclosing the Fair Value of Financial Instruments by Valuation Techniques:

**The categories used are as follows:**

**Level 1:** It includes Financial Instruments measured using quoted prices and the Mutual Funds are measured using the closing Net Asset Value (NAV).

**Level 2:** The Fair Value of Financial Instruments that are not traded in an active market 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:** Inputs for the Asset or Liability that are not based on observable market data (unobservable inputs).

## 26 Financial Risk Management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Group has exposure to the following risks arising from financial instruments:

### a. Credit Risk

### b. Liquidity Risk

### c. Market Risk

#### a Credit Risk

Credit Risk arises from the possibility that the value of receivables or other financial assets of the Group may be impaired because counterparties cannot meet their payment or other performance obligations. To manage Credit Risks from Trade Receivables other than Related Party, the credit managers from Order to Cash department of the Group regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Group's internal guidelines. There is no significant concentration of default risk."

Credit Risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Group has policies and operating guidelines in place to ensure that Financial Instrument transactions are only entered into with high quality banks and financial institutions. The Group had no other Financial Instrument that represents a significant concentration of Credit Risk.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in Credit Risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in Credit Risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of Profit & Loss.

### Credit Risk is Managed at Group Level

For other Financial Assets, the Group assesses and manages Credit Risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Group basis for each class of Financial Instruments with different characteristics.

The Group considers whether there has been a significant increase in Credit Risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a Financial Asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days for the 31<sup>st</sup> March 2025, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

The Group maintains exposure in Cash and Cash Equivalents, Deposits with Banks, Investments, and Other Financial Assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Group. The maximum exposure to Credit Risk at the reporting date is the carrying value of each class of Financial Assets. The Group believes that the current value of trade receivables reflects the Fair Value / Recoverable Values.

#### b Liquidity Risk

Liquidity Risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another Financial Asset. The Group'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 Group's reputation. Due to the dynamic nature of underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecast of Group's liquidity position (comprising the undrawn borrowing facilities below) and Cash and Cash Equivalents on the basis of expected cash flows. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. "

#### Maturities of Financial Liabilities

The tables below analyse the company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative Financial Liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2025		
	Carrying Amount	Contractual Cash Flows	
		Upto 1 Year	More than 1 Year
Non-Derivative Financial Liabilities			
Short Term Borrowings	-	-	-
Trade and Other Payables	8.61	8.61	-
Other Financial Liabilities	-	-	-

#### c Market Risk

Market Risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**Capital & Risk Management**

The Group's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. "

The Gearing Ratio is as follows:

		(₹ in Lakhs)
Particulars		As at 31 <sup>st</sup> March, 2025
(a)	Interest Bearing Loans and Borrowings	-
(b)	Less: Cash and Bank Balance (including other bank balance and book overdraft)	1,909.35
(c)	<b>Net Debt (a) - (b)</b>	<b>(1,909.35)</b>
(d)	Equity Share Capital (Note 11)	35.69
(e)	Other Equity (Note 9 & 10)	13,898.56
(f)	<b>Total Capital (d) + (e)</b>	<b>13,934.25</b>
(g)	<b>Total Capital and Net Debt (c) + (f)</b>	<b>15,843.60</b>
(h)	<b>Gearing Ratio (c)/(g)</b>	<b>N/A*</b>

\* On account of 'NIL' interest bearing loans and borrowing as at 31<sup>st</sup> March, 2025

**27 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013**

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- a. The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- b. The Group does not have any transactions with companies which are struck off
- c. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall)
  - i. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries"
- f. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - i. Directly or Indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) /
  - ii. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries."
- g. The Group does not have 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.
- h. The Group is not declared willful defaulter by any bank or financial institution or lender during the year.

**28 Audit Trail**

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

The Company, in respect of financial year commencing on or after the 1<sup>st</sup> April, 2024, has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year except for during 1<sup>st</sup> April, 2024 to 25<sup>th</sup> September, 2024 for all transactions recorded in the software. Also, audit trail was not enabled at the database level to log any direct data changes for the period April 1, 2024 to March 23, 2025 in respect of one accounting software used for subscriber management. Further, during the course of our audit, the Company did not come across any instance of the audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention, in respect of such accounting software's for which the audit trail feature was enabled and operating.

**29 This is Company's first year of preparation of its financial statements. Accordingly comparative figures for the corresponding periods are not applicable.****30 Events occurring after the reporting period**

The Group evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of Financial Statements to determine the necessity for recognition and / or reporting of subsequent events and transactions in the financial statements.

**31 Certain Financial Assets and Financial Liabilities are subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the Financial Statements will not be material.**

**For Bagaria & Co LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Mohak Goel**  
Partner  
M. No. 159883

**Place:** Mumbai  
**Date:** 29<sup>th</sup> May, 2025

For and on behalf of Board of Directors of  
**ZR2 BIOENERGY LIMITED**  
(Formerly known as Gujchem Distillers India Limited)

**Jimmy Olsson**  
Managing Director  
DIN: 06891122

**Mahendra Agarwal**  
Chief Financial Officer

**Nirupama Khandke**  
Independent Director  
DIN: 01605060

**Shital Gurav**  
Company Secretary  
Membership No. A73942

