

GANESHA ECOSPHERE LIMITED

CIN: L51109UP1987PLC009090

Regd. Office: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.)

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Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2021

(₹ in Lakh)

Particulars	Quarter ended			Nine Months ended		Financial Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)			(Unaudited)		(Audited)
I Revenue from operations	28,825.38	24,811.58	23,453.67	73,497.46	50,190.04	75,113.56
II Other income	254.29	348.23	396.01	895.04	971.45	1,077.21
III Total income (I+II)	29,079.67	25,159.81	23,849.68	74,392.50	51,161.49	76,190.77
IV EXPENSES						
Cost of materials consumed	17,482.50	15,421.74	14,074.92	47,351.62	30,772.95	46,035.61
Purchases of stock-in-trade	484.61	203.81	516.92	1,487.07	1,066.32	1,876.54
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	838.65	358.68	307.81	(1,870.14)	93.65	(359.37)
Employee benefits expense	1,531.31	1,399.39	1,347.82	4,201.30	3,299.80	4,800.95
Finance costs	257.40	191.40	236.06	751.78	649.89	870.83
Depreciation and amortization expense	717.32	705.10	683.65	2,130.16	2,004.96	2,716.18
Power & fuel	2,277.85	2,137.03	1,928.38	6,289.60	4,660.64	6,860.62
Other expenses	3,034.23	2,338.31	2,066.22	7,608.79	5,138.65	7,427.72
Total expenses (IV)	26,623.87	22,755.46	21,161.78	67,950.18	47,686.86	70,229.08
V Profit before exceptional items and tax (III-IV)	2,455.80	2,404.35	2,687.90	6,442.32	3,474.63	5,961.69
VI Exceptional Items (refer Note 5)						
- Loss by Fire (net of tax)	-	-	-	2,513.22	-	-
VII Profit before tax (V-VI)	2,455.80	2,404.35	2,687.90	3,929.10	3,474.63	5,961.69
VIII Tax expense:						
(1) Current tax	594.54	367.23	554.95	961.77	668.26	1,253.26
(2) Deferred tax	33.70	244.89	70.67	507.19	135.04	189.79
IX Profit for the period (VII-VIII)	1,827.56	1,792.23	2,062.28	2,460.14	2,671.33	4,518.64
X Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss						
Re-measurement gains on defined benefit obligations	10.71	10.71	3.95	32.12	11.83	42.82
(ii) Income tax relating to Items that will not be reclassified to profit or loss	(2.69)	(2.70)	(1.00)	(8.08)	(2.98)	(10.78)
B (i) Items that will be reclassified to profit or loss		-	-	-	-	-
(ii) Income tax relating to Items that will be reclassified to profit or loss		-	-	-	-	-



XI Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)	1,835.58	1,800.24	2,065.23	2,484.18	2,680.18	4,550.68
XII Paid-up equity share capital (Face value of Rs 10/- each)	2,182.94	2,182.94	2,182.94	2,182.94	2,182.94	2,182.94
XIII Other Equity (excluding Revaluation Reserves)	-	-	-	-	-	49,699.66
XIV Earnings per equity share (not annualized*)						
(1.a) Basic (in Rs.) after exceptional item	8.37*	8.21*	9.45*	11.27*	12.24*	20.70
(1.b) Basic (in Rs.) before exceptional item	8.37*	8.21*	9.45*	22.78*	12.24*	20.70
(2.a) Diluted (in Rs.) after exceptional item	8.37*	8.21*	9.45*	11.27*	12.24*	20.70
(2.a) Diluted (in Rs.) before exceptional item	8.37*	8.21*	9.45*	22.78*	12.24*	20.70

Notes:

- The above standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.
- The above standalone financial results, after review by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on February 5, 2022.
- The Statutory Auditors have carried out limited review of the above standalone financial results for the quarter and nine months ended December 31, 2021 as required under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- The Company is engaged in the manufacturing of the products of same type/ class and as such there are no reportable segments as per Ind-AS 108: 'Operating Segments', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- There was a fire incident in Company's Polyester Staple Fibre manufacturing unit situated at Raipur (Rania), District Kanpur Dehat on June 04, 2021. The fire resulted into major damages to the building, plant & machinery as well as inventories. The Company, based on internal evaluation, has recognized a loss of Rs. 3,358.48 Lakh during June, 2021 quarter and also recognized deferred tax asset of Rs 845.26 Lakh in respect of this loss. The net impact of Rs. 2,513.22 Lakh has been disclosed as 'Exceptional Item' in this standalone financial results. The assets, damaged by fire, are fully insured and insurance company is in the process of estimating and finalizing the claim amount. Management is quite confident of recovering the amount of loss from the insurance company, however, pending the determination of insurance claim amount, the Company has not recognized the same as income in the books of accounts. The same will be recognized as income in the period in which the insurance claim amount is reasonably ascertained.
- During the quarter, the Company has invested INR 13,12,50,000/- (equivalent to NPR 21,00,00,000) in 'Ganesha Overseas Private Limited', an overseas wholly owned subsidiary of the Company towards application money for 21,00,000 Equity Shares of NPR 100 each.
- The Company's operations and revenue were impacted on account of disruption in economic activity due to COVID 19. The management believes that the overall impact of the pandemic is short term and temporary in nature and is not likely to have any significant impact on the recoverability of the carrying value of its assets and the future operations. The management is closely monitoring the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.
- Previous periods figures have been regrouped/ reclassified where considered necessary to conform to current period's classification/ disclosure.

Date: 05.02.2022

Place: Kanpur



For Ganesha Ecosphere Limited

(Shyam Sunder Sharma)

Chairman

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors of
Ganesh Ecosphere Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Ganesh Ecosphere Limited ("the Company") for the quarter ended December 31, 2021 and year to date results for the period from April 1, 2021 to December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time ("the Listing Regulations").

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ('the Act'), as amended, read with relevant rules issued thereunder, and as per the presentation requirements of the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards 34 ('Ind AS 34') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

We draw attention to Note 5 of the Statement, which describes the effects of a fire in one of the Company's production facilities. Our conclusion on the Statement is not modified in respect of this matter.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N


Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: February 5, 2022

UDIN: 22087931AAMGNV1499

GANESHA ECOSPHERE LIMITED

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Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2021

(₹ in Lakh)

Particulars	Quarter ended			Nine Months ended		Financial Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)			(Unaudited)		(Audited)
I Revenue from operations	28,802.28	24,789.03	23,453.67	73,429.46	50,190.04	75,113.56
II Other income	108.53	241.98	361.17	542.88	890.81	943.01
III Total income (I+II)	28,910.81	25,031.01	23,814.84	73,972.34	51,080.85	76,056.57
IV EXPENSES						
Cost of materials consumed	17,482.49	15,421.74	14,074.92	47,351.61	30,772.95	46,035.61
Purchases of stock-in-trade	484.62	203.80	516.92	1,487.07	1,066.32	1,876.54
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	838.65	358.68	307.81	(1,870.14)	93.65	(359.37)
Employee benefits expense	1,537.88	1,402.22	1,347.82	4,210.70	3,299.80	4,800.95
Finance costs	258.38	191.60	235.96	753.02	649.90	881.28
Depreciation and amortization expense	718.06	705.71	683.65	2,131.51	2,004.96	2,716.18
Power & fuel	2,277.85	2,137.03	1,928.38	6,289.60	4,660.64	6,861.02
Other expenses	3,041.91	2,572.22	2,083.75	7,851.94	5,157.53	7,449.17
Total expenses (IV)	26,639.84	22,993.00	21,179.21	68,205.31	47,705.75	70,261.38
V Profit before exceptional items and tax (III-IV)	2,270.97	2,038.01	2,635.63	5,767.03	3,375.10	5,795.19
VI Exceptional Items (refer Note 5)						
- Loss by Fire (net of tax)	-	-	-	2,513.22	-	-
VII Profit before tax (V-VI)	2,270.97	2,038.01	2,635.63	3,253.81	3,375.10	5,795.19
VIII Tax expense:						
(1) Current tax	594.54	367.23	554.95	961.77	668.26	1,253.26
(2) Deferred tax	33.71	244.89	70.67	507.20	135.04	189.79
IX Profit for the period (VII-VIII)	1,642.72	1,425.89	2,010.01	1,784.84	2,571.80	4,352.14
X Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss						
Re-measurement gain on defined benefit obligations	10.71	10.71	3.95	32.12	11.83	42.82
(ii) Income tax relating to Items that will not be reclassified to profit or loss	(2.69)	(2.70)	(1.00)	(8.08)	(2.98)	(10.78)
B (i) Items that will be reclassified to profit or loss						
(ii) Income tax relating to Items that will be reclassified to profit or loss						
XI Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)	1,650.74	1,433.90	2,012.96	1,808.88	2,580.65	4,384.18
XII Paid-up equity share capital (Face value of Rs 10/- each)	2,182.94	2,182.94	2,182.94	2,182.94	2,182.94	2,182.94



XIII Other Equity (excluding Revaluation Reserves)	-	-	-	-	-	49,512.93
XIV Earnings per equity share (not annualized*)						
(1.a) Basic (in ₹) after exceptional item	7.53*	6.53*	9.21*	8.18*	11.78*	19.94
(1.b) Basic (in ₹) before exceptional item	7.53*	6.53*	9.21*	19.69*	11.78*	19.94
(2.a) Diluted (in ₹) after exceptional item	7.53*	6.53*	9.21*	8.18*	11.78*	19.94
(2.b) Diluted (in ₹) before exceptional item	7.53*	6.53*	9.21*	19.69*	11.78*	19.94
Notes:						

- The above consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.
- The above consolidated financial results, after review by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on February 05, 2022.
- The Statutory Auditors have carried out limited review of the above consolidated financial results for the quarter and nine months period ended December 31, 2021 as required under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- The Group is engaged in the manufacturing of the products of same type/ class and as such there are no reportable segments as per Ind-AS 108: 'Operating Segments', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- There was a fire incident in holding company's Polyester Staple Fibre manufacturing unit situated at Raipur (Rania), District Kanpur Dehat on June 04, 2021. The fire resulted into major damages to the building, plant & machinery as well as inventories. The Group, based on internal evaluation, has recognized a loss of Rs. 3,358.48 Lakh during June, 2021 quarter and also recognized deferred tax asset of Rs 845.26 Lakh in respect of this loss. The net impact of Rs. 2,513.22 Lakh has been disclosed as 'Exceptional Item' in this consolidated financial results.
The assets, damaged by fire, are fully insured and insurance company is in the process of estimating and finalizing the claim amount. Management is quite confident of recovering the amount of loss from the insurance company, however, pending the determination of insurance claim amount, the Group has not recognized the same as income in the books of accounts. The same will be recognized as income in the period in which the insurance claim amount is reasonably ascertained.
- The Group's operations and revenue were impacted on account of disruption in economic activity due to COVID 19. The management believes that the overall impact of the pandemic is short term and temporary in nature and is not likely to have any significant impact on the recoverability of the carrying value of Group's assets and the future operations. The management is closely monitoring the developments and possible effects that may result from the pandemic on Group's financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.
- Previous periods' figures have been regrouped/ reclassified where considered necessary to conform to current period's classification/ disclosure.

Date: 05.02.2022

Place: Kanpur



For Ganesha Ecosphere Limited

(Shyam Sunder.Sharma)
Chairman

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors of
Ganesha Ecosphere Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Ganesha Ecosphere Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended December 31, 2021 and the consolidated year to date results for the period from April 1, 2021 to December 31, 2021 ('the Statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time ('the Listing Regulations').
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and as per the presentation requirements of the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), to the extent applicable.

4. The Statement includes the results of the following entities:

S. No.	Company Name	Nature
1.	Ganesha Ecosphere Limited	Parent
2.	Ganesha Ecopet Private Limited	Wholly owned subsidiary of Ganesha Ecosphere Limited (incorporated on November 19, 2019)
3.	Ganesha Ecotech Private Limited	Wholly owned subsidiary of Ganesha Ecosphere Limited (incorporated on November 17, 2020)
4.	Ganesha Overseas Private Limited, Nepal	Wholly owned subsidiary of Ganesha Ecosphere Limited (with effect from July 15, 2021)



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors and management reviewed financial results referred to in paragraph 8 and 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards 34 ('Ind AS 34') specified under Section 133 of the Companies Act 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matters

6. We draw attention to Note 5 of the Statement, which describes the effects of a fire in one of the Company's production facilities.
7. In the review report of a subsidiary, the other auditors have mentioned that a cyber fraud on the subsidiary amounting to Rs. 245.67 Lakh has occurred in its escrow account maintained with HDFC Bank Ltd. by way of unauthorised RTGS/ NEFT transfers and a provision for loss of Rs. 218.67 Lakh (net of recoverable amount of Rs. 27 Lakh) has been made by the subsidiary. The matter is currently under investigation by the Police department.

Our conclusion on the Statement is not modified in respect of the matters stated in paragraph 6 and 7 above.

Other Matters

8. We did not review the interim financial results of two subsidiaries included in the Statement, whose interim financial results (before eliminating inter-company transactions) reflect total assets of Rs. 32,101.38 Lakh as at December 31, 2021 and total revenues of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 3.64 Lakh and Rs. 235.07 Lakh, total comprehensive loss of Rs. 3.64 Lakh and Rs. 235.07 Lakh, for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021, respectively, and cash inflows (net) of Rs. 2,336.35 Lakh for the period from April 1, 2021 to December 31, 2021, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the Management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.
9. We also did not review the interim financial results of a subsidiary included in the Statement which is located outside India, whose interim financial results (before eliminating inter-company transaction) reflect total assets of Rs. 3,332.59 Lakh as at December 31, 2021 and total revenues of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 12.34 Lakh and Rs. 20.08 Lakh, total comprehensive loss of Rs. 12.34 Lakh and Rs. 20.08 Lakh, for the quarter ended December 31, 2021 and for the period from July 15, 2021 to December 31, 2021, respectively, and cash outflows (net) of Rs. 188.09 Lakh for the period from July 15, 2021 to December 31, 2021, as considered in the Statement. These interim financial results have not been reviewed by the auditor of the aforesaid subsidiary and are certified by the management of the Parent. According to the information and explanations given to us by the management of the Parent, these interim financial results are not material to the Group.



Our conclusion on the Statement is not modified in respect of the matters stated in paragraph 8 and 9 with respect to our reliance on the work done and the reports of the other auditors and the management reviewed financial results of the subsidiary located outside India.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania
Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: February 5, 2022

UDIN: 22087931AAMGYK3255