



01st September, 2023

Bombay Stock Exchange Limited Department of Corporate Services, Phiroze Jeejee Bhoy Towers, Dalat Street, Mumbai-400001 Scrip Code: 537785	National Stock Exchange of India Limited Listing Department Exchange Plaza,C-1, Block-G, Bandra-Kurla Complex, Mumbai 400051 Symbol: RACE
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Subject: Annual Report for the F.Y 2022-2023

Dear Sir/ Madam,

Pursuant to Regulation 30 and 34 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the Financial Year 2022-2023 including the Notice of 23rd Annual General Meeting of the Company scheduled to be held on Monday, September 25, 2023 at 12:30 PM to transact the business as set out in the notice.

This is for your reference and record.

Thanking you,

**Yours Faithfully
For Race Eco Chain Limited**

**Shiwati
Company Secretary & Compliance Officer**

Enclosure: As above



RACE ECO CHAIN LTD.

ANNUAL REPORT

2022-23

Economic Growth meets
Environmental Benefits with



Recycling And Circular Economy



Table of Contents

Particulars	Page No.
01. Corporate Information	03
02. Five Year Vision	04
03. Note from Managing Director	05
04. Key Highlights	07
05. ESG - Environment Social Governance	08
06. Management Discussion & Analysis	13
07. The Road Ahead	21
08. Asset Programme (CSR Initiative)	24
09. Financial Statement Analysis	25
10. The Board	29
11. Walk Down the Memory Lane	30
12. AGM Notice	32
13. Board & Corporate Governance Report	49
14. Auditors Report	83
15. Audited Financial Statements	95

Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements that we periodically make, contain forward-looking statements that set out anticipated results based on the company's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. Although we are confident to achieve the above stated forward looking statements will be realized and we believe we have been prudent in our assumptions. The achievement of results is subject to risks and uncertainties in future. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Information

Board of Directors

Sunil Kumar Malik
Rama Nand Gupta
Raj Kumar Modani
Piyanshu Sharma
Lalit Malik
PranavVasan
Sanjay Kukreja
Anil Kumar Behl
Seema Malik

Chairman & Managing Director
Executive Director
Executive Director
Executive Director & CFO
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

Statutory Auditors

Garg Arun & Associates
Chartered Accountants
4832/24, Flat No-106, Ansari Road,
Darya Ganj, New Delhi - 110002

Internal Auditors

M/s. SSAR & Associates

Secretarial Auditor

M/s. Hemant Kumar Sajnani & Associates.

Company Secretary & Compliance officer

Shiwati Gandhi

Registrar & Share Transfer Agent

Big share Services Private Limited
1st Floor, Bharat Tin Works Building,
Marol Maroshi Road, Andheri (East), Mumbai - 400059
CIN No. L17101DL1999PLC102506

Registered Office

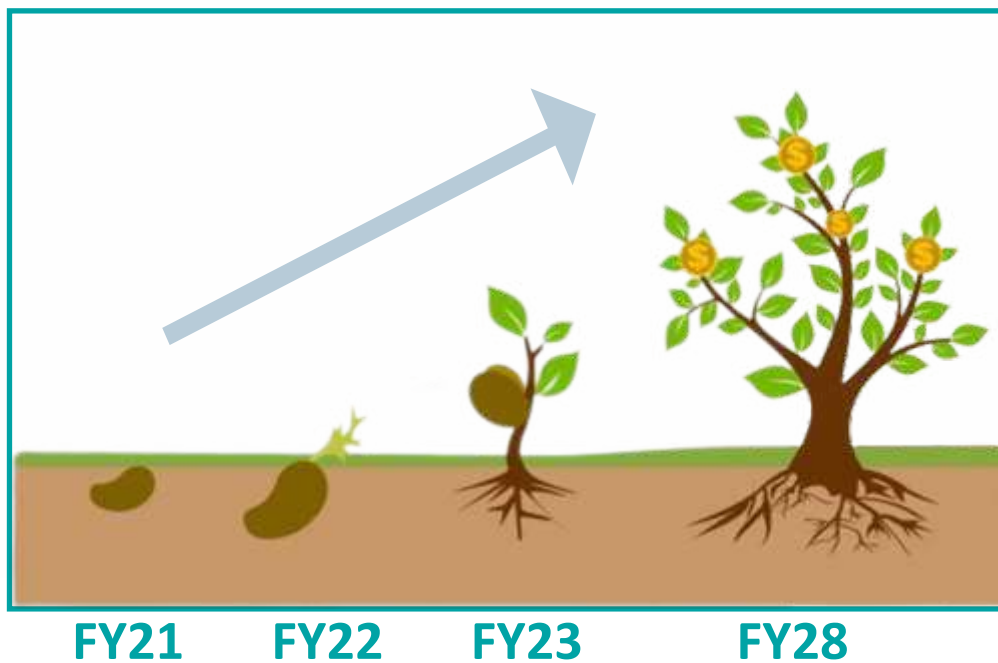
Unit No. 203, Plaza-3, Central Square, Bara Hindu Rao, Delhi - 110006

Principal Banker

City Union Bank, ICICI Bank, HDFC

5 YEAR VISION

Through our diligent efforts, we aspire to achieve the following outcomes:



Note from Managing Director

Dear Stakeholders,

It gives me immense pleasure to present to you the Annual Report of RACE Eco Chain Ltd for the financial year 2022-23. This has been a remarkable year for our company, as we have achieved significant milestones in our journey of transforming waste into eco-friendly products. RACE, an acronym for Recycling and Circular Economy, represents more than mere circularity. Our aspiration centers on the attainment of an organized and sustainable circular framework, one that permeates the entire value chain. This principle constitutes the cornerstone of our overarching vision.

We believe that waste is not a problem, but a resource that can be used to create value for our customers, our communities, and our planet. We are committed to reducing the carbon footprint caused by plastic waste, and creating innovative products from recycled materials that are sustainable, traceable, and of high quality. Our strategic intent extends to catalyzing a shift towards a sustainable and environmentally conscious value chain, a realm currently dominated by disorganized players. Our initiatives in this direction are discussed in Environmental, Social, and Governance (ESG) segment ahead.

This year, we have successfully scaled up our operations and expanded our product portfolio, hence further strengthening our commitment to environmental sustainability and social responsibility.

Our revenue grew by more than 70% YoY to Rs. 269 crore, driven by strong demand for our products. With regulations making recycling a mandate gradually (pib.gov.in), we envision tail winds in our operations in the forthcoming years. In the bottom line, our net profit increased by more than 42% to Rs. 1.3 crore, reflecting our operational efficiency led by our growing scale of operations.

Biomass (AKA white coal) is a substitute of conventional coal and is an environmentally friendly & renewable energy source compared to conventional coal. It saves carbon emission as compared to conventional coal. With rising demand for biomass backed by government initiatives (mnre.gov.in) to promote usage of this greener fuel, we take immense pleasure to announce that in just one year, this segment has accounted for about 37% of our total waste of 94,460 metric tonnes aggregated this year. Hence, we expect exponential growth in this segment in years to come.

We are also strategizing to invest in enhancing our technological capabilities and innovation potential. We are currently exploring technologies like blockchain & AI to make end-to-end traceability of waste a reality and to develop a digital marketplace for waste management sector.



A notable achievement within this calendar year was our listing on the main board of National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). In May 2023, our company successfully migrated from the SME platform of BSE to the main board of NSE & BSE.

Also, we would wish to announce that this year our company has voluntarily opted for SEBI's BRSR reporting framework to lay our foundation towards sustainable and ESG focussed business operations. Moreover, we are also working on strategizing for sustainable sourcing and transforming our value chain into an ESG compliant value chain. Our first BRSR report will be published for FY23 and we would like to extend our gratitude to CareEdge Advisory Services for their contribution to our BRSR journey by conducting materiality assessment via stakeholder engagement and developing BRSR related policy drafts for us.

We take immense pleasure in announcing that our company has taken stake in Abhay Innovative Engineering Ltd. which in turn is taking over the business of a PET Bottle scrap Washing line. Modalities of it are being worked out currently. Further, we are also considering a proposal to take over two running Pet Bottle Scrap Washing lines based at Hyderabad. Both the above businesses, being forward integration to existing plastic scrap business, are expected to bring about substantial improvement in both top and bottom line going forward.

We have also acquired 20.71% stake in PRIME INDUSTRIES LTD., which in turn has invested into Kay Bouvet Engineering Ltd. which is engaged into capital goods and defence sector. This is going to be a profitable opportunity for RACE going forward.

To make our operations more focused and making capital allocation more efficient, we are also considering the demerger of existing business segments of RACE into three entities: "Plastic packaging waste", "Biomass fuel" & "Recycled Products".

As we look ahead, we are confident of sustaining our growth momentum and creating value for all our stakeholders. We are well-positioned to leverage the opportunities arising from the increasing awareness and demand for eco-friendly products, as well as the supportive policies and regulations of the government. We are also mindful of the challenges posed by the competitive landscape, the volatile market conditions, and the environmental and social issues. We will continue to focus on enhancing our operational excellence, quality, customer satisfaction, and corporate governance, while adhering to the highest standards of ethics and responsibility.

Thankyou!

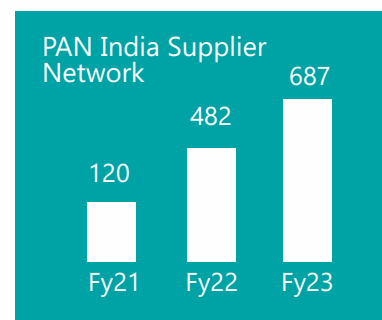
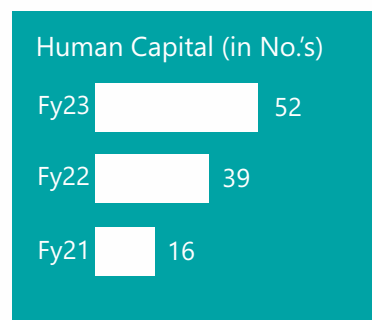
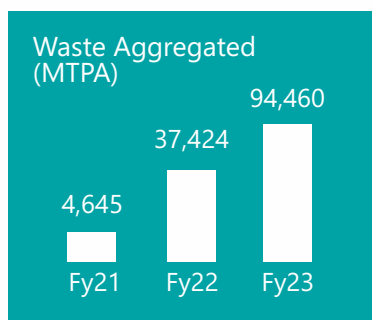
Sincerely,

Sunil Malik

Key Highlights

94000+ Metric Tonnes (MT)

This is the quantum of waste that we aggregated during FY23. **India generates around 62mn tons of municipal solid waste annually and only 20% is recycled.** The problem is huge and hence we have a lot to contribute towards cleaner India!



Environment Social Governance (ESG) : “Imbibing ESG in our DNA”

- Adherence to Environmental, Social & Governance factors are key to sustainable business future.
- Considered as non-financial parameters in general; however, we at RACE believe these factors to be pre-financial factors owing to their financial implications if not addressed appropriately.

In our future endeavours, our aspiration is to contribute towards achieving the following UN Sustainable Development Goals (SDGs):

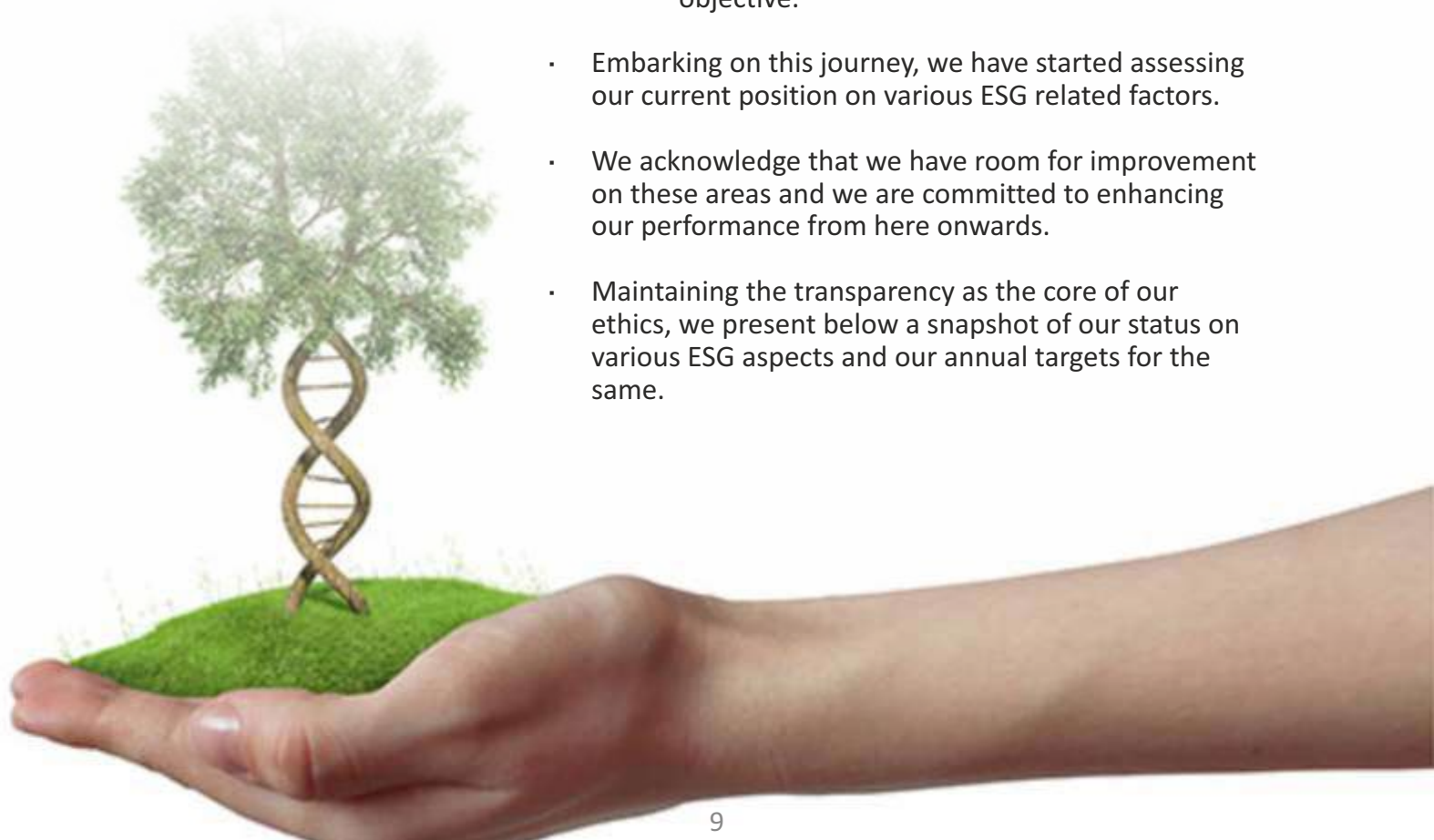
 <p>Good Health and Well Being</p>	 <p>Our Sustainability Goals</p>	 <p>Responsible Production and Consumption</p>	
 <p>Decent Work and Economic Growth</p>	 <p>Industry, Innovation and Infrastructure</p>	 <p>Reduced Inequalities</p>	 <p>Industry by Laws, Norms & CoC</p>
 <p>Sustainable and Standardize SCM</p>	 <p>Affordable and0 Clean Energy</p>	 <p>Better Life – On Land and Under Water</p>	 <p>Wealth – Create More and Disburse Better</p>



Business Responsibility and Sustainability Report

VOLUNTARY ADHERENCE TO SEBI BRSR REPORTING

- *We have voluntarily opted for ESG based disclosure as per SEBI's BRSR reporting framework. Our first BRSR report will be published for Fy23.*
- We appointed CareEdge Advisory Services for conducting materiality assessment via stakeholder engagement and developing BRSR related policy drafts for us.
- Materiality assessment via stakeholder engagement has been instrumental in identifying and prioritizing material issues spanning environmental, social, and governance aspects for us.
- Sustainable sourcing of waste is amongst the material ESG challenges for us. Hence
 - We have decided to cover our suppliers in the ESG assessments to be conducted by an independent third-party entity
 - We appointed CareEdge Advisory Services for conducting such ESG assessment for our 2 suppliers to initiate our sustainability sourcing objective.
- Embarking on this journey, we have started assessing our current position on various ESG related factors.
- We acknowledge that we have room for improvement on these areas and we are committed to enhancing our performance from here onwards.
- Maintaining the transparency as the core of our ethics, we present below a snapshot of our status on various ESG aspects and our annual targets for the same.

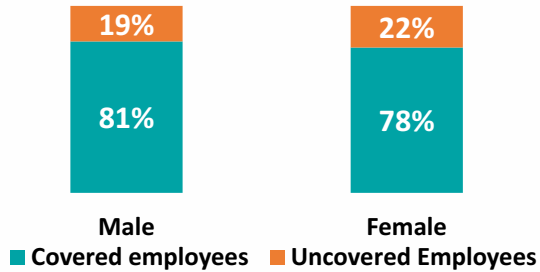


We intend to attain these targets by FY2025

CURRENT LEVEL (FY23)

TARGET LEVEL (by FY25)

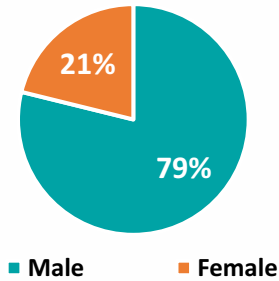
Employees covered in our Insurance Policies*



To improve this insurance coverage to **100%**

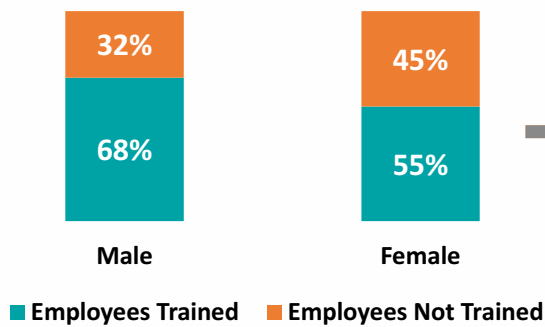
*Insurance Policies include – Health & Accident Insurance

Workforce Gender Diversity



To Improve workforce gender diversity YoY

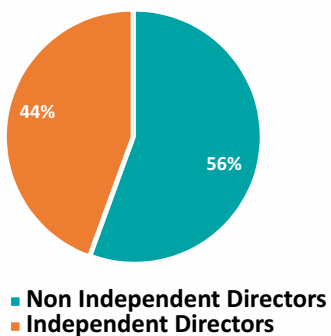
Employees covered in our Skill upgradation Programmes*



To Improve this employee training ratio to **100%**

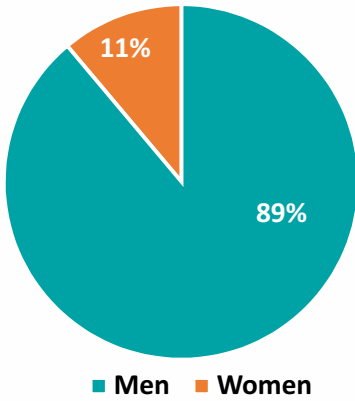
*Skill upgradation programme includes customised modules designed for enhancing employee productivity & job related skills

Board Composition



To improve Board Composition Year on Year

Board Gender Diversity



To improve Board Gender Diversity Year on Year

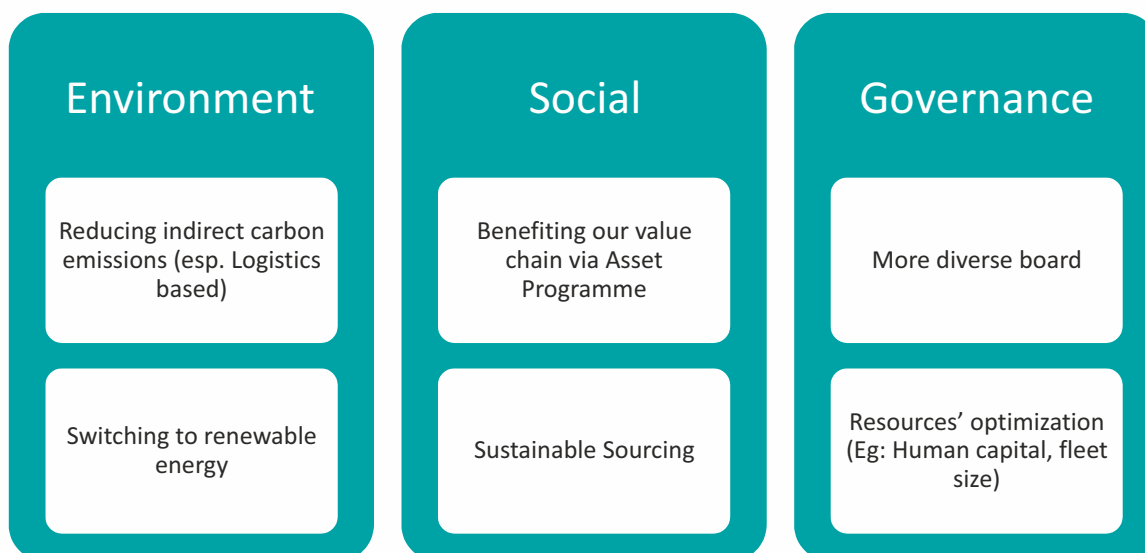
ESG Oversight: The Board of RACE chaired by managing director is currently responsible for ESG implementation & Oversight



ESG Oversight: Setting up **ESG Committee** for decision making on sustainability related issues, implementing & overseeing the business responsibility related policies and progress on our ESG goals

OUR BROADER ESG VISION

Aligned with our sustainability driven perspective, we present our broader ESG vision below



Based on our broader ESG VISION, we intend to attain below targets by Fy25:

Sustainable Sourcing	Covering 50 suppliers in our ESG Assessments
Training & Education	Training & Education of 50 value chain partners on sustainable business practices
ASSET Programme	Supporting 24* beneficiaries via our ASSET Programme
Resource Optimization	Fleet optimization for curbing indirect carbon emissions & hence improving operating margins by 25bps yoy.

*Our company, RACE ECO Chain (Formerly Anisha Impex), was incorporated in the year 1999, marking almost 24 years of operations. As we align this goal with our tenure, our target will correspond to each year of our successful journey.

Management Discussion and Analysis



THE GROWING THREAT OF PLASTIC POLLUTION

As per a new report released by resourcefutures (Source: [Link, resourcefutures report](#)), a staggering 218 million people, spanning countries around the world including India, face a serious threat of flooding. Plastic pollution is acting as a significant threat multiplier when it comes to flood risk. During the current times, when climate change is making rainfall events more intense and frequent, plastic pollution is making the situation even more adverse. Owing to plastic pollution, the drainage systems are getting blocked in poor urban areas (slums) and hence posing a serious danger to communities living in flood-risk zones. Shockingly, this vulnerable population represents three per cent of the world's population, equivalent to the combined population of the UK, France and Germany.

Such situation happened in Mumbai back in 2005. Plastic bags had blocked storm drains, stopping monsoon flood water from draining out of the city. Consequence – Around 1,000 lives were lost!!

RACE to Safer Environment & Circular Economy

The prevalence of inefficient waste management systems has been intensifying the impact of recent natural calamities and the alarming threat of flooding.

CIRCULAR ECONOMY is an approach through which waste can be more efficiently managed. Circular economy is based on 6R's - Reduce, Reuse, Recycle, Repairing, Refurbishment and Recovering of materials. Rooted in the principles of Reduce, Reuse, Recycle, Refurbishment, Recover, and Repairing, circular economy seeks to enhance resource efficiency. In alignment with this, the Ministry of Environment, Forest and Climate Change (MOEF) has imposed more stringent Extended Producer Responsibility (EPR) targets (detailed in industry outlook section) to invigorate circular economy practices. Our commitment at RACE remains resolute in advancing the circular economy, thereby elevating waste management practices

67000MT this is the quantum of PET plastic waste (in tonnes) that we have been able to plough back into the circular economy through our presence till date. Thus averting inefficient waste management and fostering sustainable practices. Our current efforts represent a modest step towards the significant positive impact we intend to make, and our team is fully committed to contributing towards a safer environment, which is the pressing need of the hour!

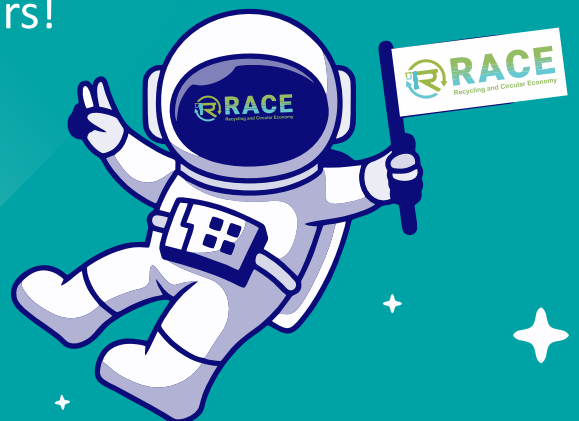
67000+ MT of PET Waste, aggregated till date

equivalent to :

7,11,000+ Kms

i.e. a round trip from earth to moon

Our next milestone is to complete one round trip
from Earth to Mars!



Global Warming: “The Globe is Warming”

According to a report published in “Scientific Data” journal, India is responsible for 0.08 degrees Celsius of warming from the 1850s through 2021. India's emissions of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) from 1851-2021 have resulted in



0.04°C, 0.03°C and 0.006°C of global warming over pre-industrial levels, respectively. This is the root cause for various environmental problems like rising sea levels, rising temperatures, changing weather patterns, forest fires, etc. Consequently, if the emissions of carbon dioxide (CO₂) and other greenhouse gases (GHGs) are not effectively regulated, the consequences could be progressively catastrophic, significantly affecting human lives and well-being.

Decarbonization

The annual increase in temperatures experienced by India is just one among several consequences, as previously highlighted, of the escalating emissions of carbon and other greenhouse gases (GHGs).



Thus, the GOI has embarked upon the mission of **DECARBONIZATION**. The recent **biomass co-firing policy** announced by the [Ministry of Power](#) is one such measure through which Indian government intends to lower the carbon emissions going forward.

Racing towards decarbonization

1,01,000+

Co2 in tonnes saved on collection on waste PET Bottles

+

43,000+

Co2 in tonnes saved by using biomass briquettes vis-a-vis coal.

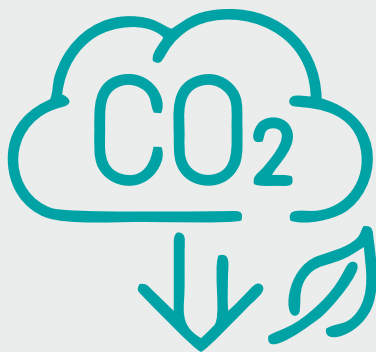
= **1,44,000+**

This has been our contribution in saving CO2 emissions (in tonnes) till date through our business operations



Above mentioned emmissions are equivalent to CO2 emitted by a car after covering distance of

3300000000 Kms

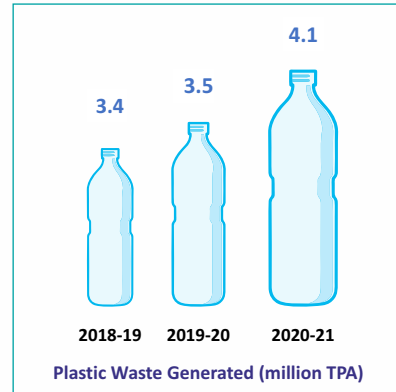


At RACE, we are fully dedicated to actively participating in our nation's decarbonization efforts.

Industry Outlook

Indian Plastic Waste Industry

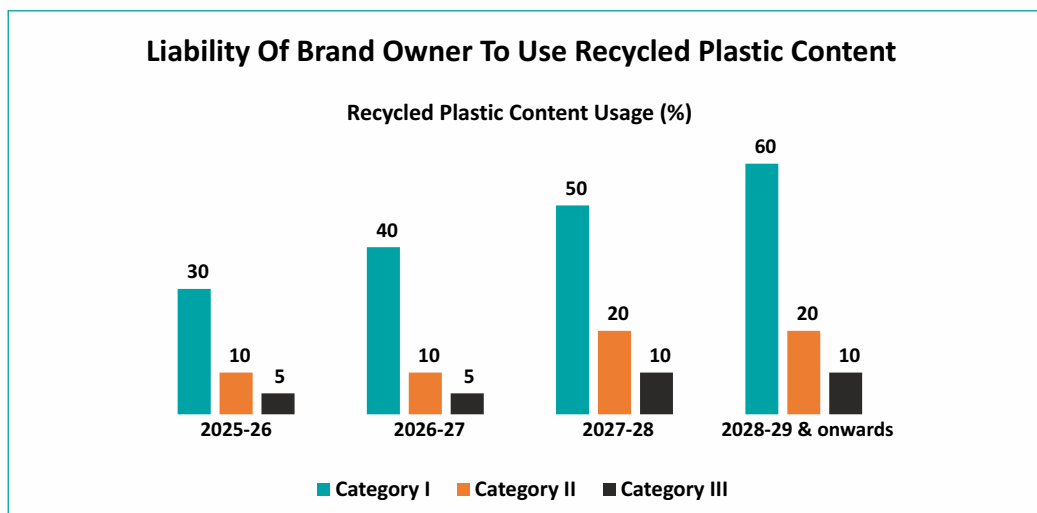
India generates more than 4 million tonnes of plastic waste annually and around 30% is only recycled. (Source: [CPCB annual report 2021 & ET](#))



As the consumption of plastic increases, likewise the plastic waste generation will increase. ([Link](#)) and the need to protect the environment from the adversities of plastic pollution will increase.

Favourable Regulations

Favourable regulatory environment around the plastic waste management is also catalysing tailwinds for this industry. Ministry of Environment, Forest and Climate Change ([MOEF](#)) has provided more stringent Extended Producer Responsibility (EPR) for plastic packaging.



Category 1: Rigid plastic packaging; Category 2: Flexible plastic packaging; 3. Multilayered plastic packaging; 4. Plastic sheet or those used in carry bags

Further, Food Safety and Standards Authority of India ([FSSAI](#)) has permitted the use of Recycled plastics as food contact materials. This will add to the existing use case of recycled plastics and hence will structurally shift the demand for recycled plastic upwards.

Biomass Fuel

(A renewable energy source from biomass waste)

The biomass fuel market in India is expected to grow significantly over the next few years, driven by government initiatives to promote renewable energy, increasing awareness about the benefits of biomass fuel, and rising demand from various industries such as power generation, cement, and food processing.

According to research report published by "[Transparency Market research](#)", the Indian biomass industry was valued around US \$ 1.7 Bn in 2019 & is expected to grow @ CAGR of 8% to reach US\$ 4 bn by 2030.

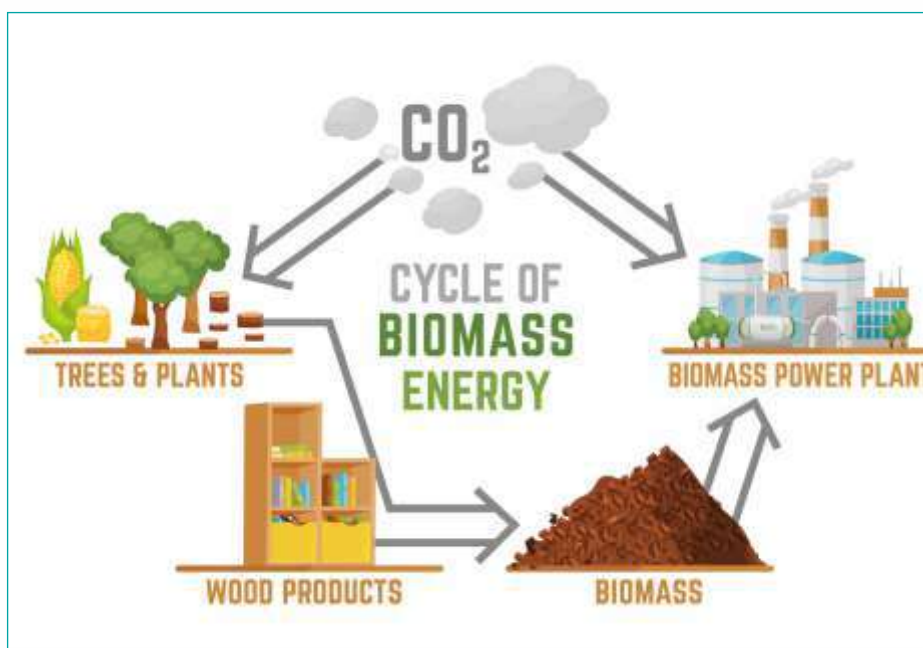
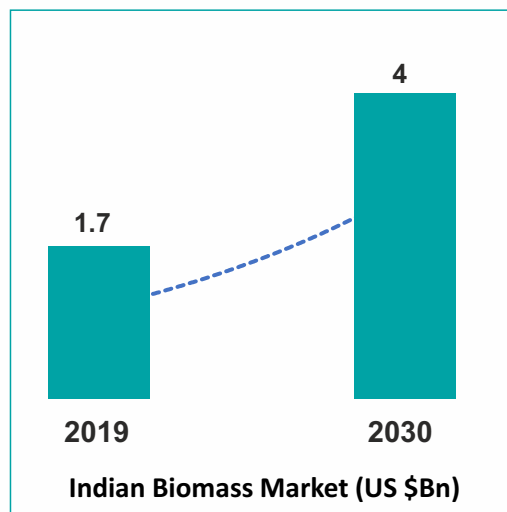
The Power ministry recently shared a [revised policy on use of biomass](#). The

Policy mandates that all thermal power plants in the country should use between 5-10% of Biomass along with coal to produce power.

However, as per the Power ministry estimates, around **95,000 tons of**

biomass briquettes are required each day for co-firing. While India's current manufacturing capacity is around **7,000 MT (Metric Tons) briquettes per day.**

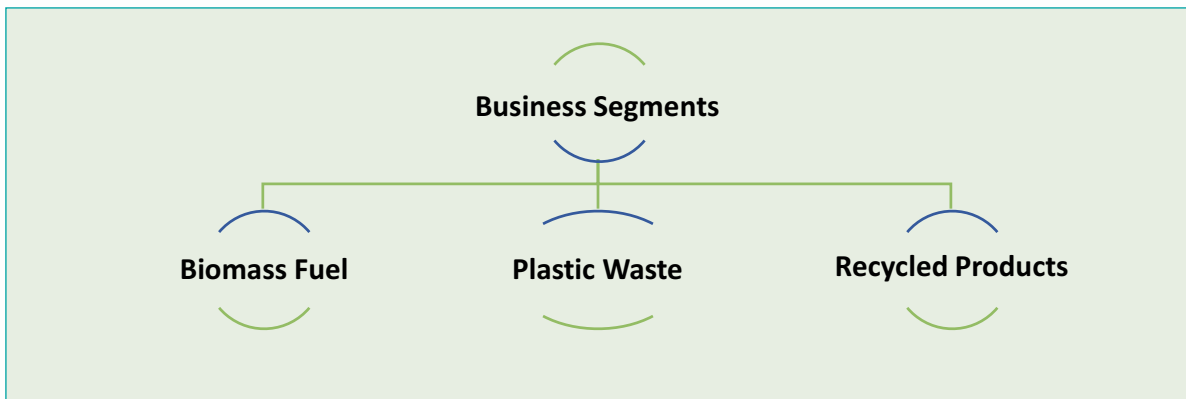
Given the presence of these favourable regulations & current supply gap owing to insufficient manufacturing capacities, the outlook for the biomass industry appears optimistic.



Business Model

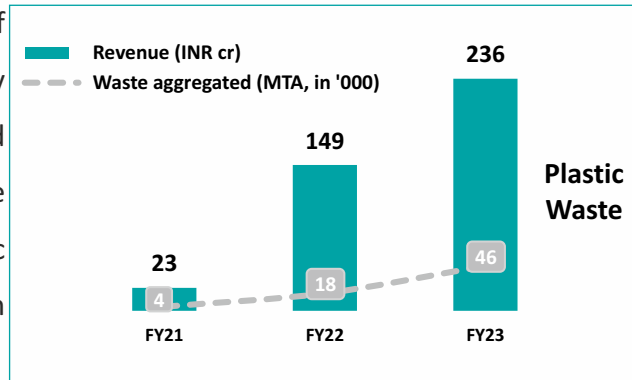
Our company is engaged in collection and supplying recyclable waste to recyclers who eventually convert the waste into useful products. We are also into manufacturing of recycled products.

In the last 2 years, we have established our footprints in more than 10 states of India and have built a large team of 500+ suppliers. Our business segments are as follows :



Plastic Waste

We are amongst the largest aggregators of plastic waste in India. With average monthly capacity of collecting and supplying around 3,800 MT of plastic waste, during FY23 we aggregated close to 46,000 MT of plastic waste registering a growth of more than 150% YoY.



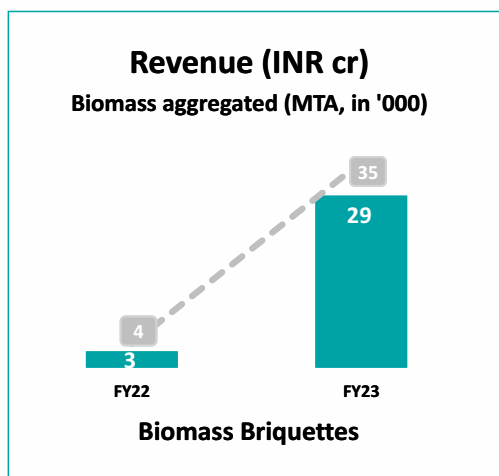
Revenue from this segment for FY23 stands at INR 236 crore leading to YoY revenue growth of 60%. Currently PET plastic bottles waste constitutes major proportion of our plastic waste and with mandatory plastic waste recycling targets set by the regulators, we are also planning to grow into plastic waste segments other than PET waste. We are aiming to cover the broader plastic packaging material waste segment other than PET waste going forward. Hence, backed by favourable regulatory environment, our aim to attain the milestone of 1,00,000 MT plastic waste aggregation annually in forthcoming years.

Biomass Fuel

Our company also supplies biomass fuel in the form of biomass briquettes & pellets. Effective in the last financial year i.e. FY22, we stepped into this cleaner fuel energy which is a substitute to conventional coal and is also known as White Coal which is a renewable energy source from biomass waste. Biomass Fuel is made of agro waste usually called paralli and known as agro waste and residual of wheat, rice husk, ground shell, mustered husk and wood waste. from just 4,070 MT of biomass fuel in FY22, this year we have grown exponentially & supplied more than 35,000 MT of

biomass fuel (i.e., briquettes & pellets) to some of the premium clients like RELIANCE, CEAT, ORIENT BELL, PEPSICO etc.

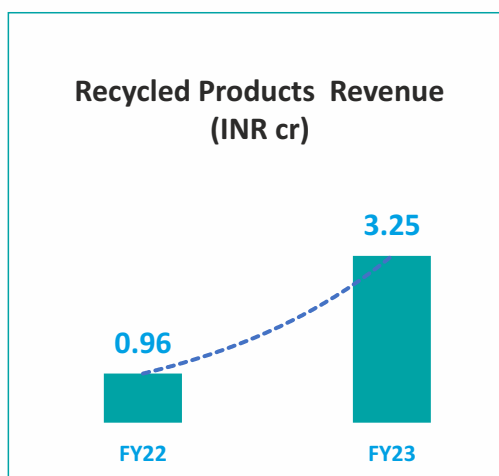
This year we were able to generate revenue of around INR 29cr from supply of biomass fuel which accounts around 11% of our top line for Fy23. With favourable regulatory environment supporting the increase in use of biomass fuel for co-firing in thermal power plants, we are confident to clock robust growth rates in this segment in upcoming years.



Recycled Products

We are also into manufacturing of recycled products like bags, cushions, curtains, table mats, etc. We sell these products under our registered brand “Restore” within India and are also exporting into the international market

This division currently accounts for a very small share of around 1.2% of our total revenue. However, if compared YoY, we have been able to grow more than 2-fold from INR 0.96cr in FY22 to INR 3.25cr in FY23.



The Road Ahead

In pursuit of fostering our sustained expansion, we are diligently engaged in formulating and executing both organic and inorganic growth strategies.

Organic Growth strategies

· Our vision is to formalize and transform the existing supply chain into one that meets the environmental, social and governance (ESG) standards. Now that we have reasonable presence in the waste management sector, we are ready to pursue our waste management supply chain improvement initiative more vigorously.



· We are strategizing Initiatives like awareness campaigns (regarding benefits of working in organised manner, benefits of ESG adherence), CSR activities like our ASSET Programme (ABHAY Sponsorship on Skill Development & Education for Tomorrow) for our value chain players. Such initiatives are aimed at “Organising the unorganised” and scaling up the organised share in the waste management supply chain.

· We are strategizing to set up our franchise collection centres and support such centres in setting up basic infrastructure like safety, health, and hygiene related infrastructure and ensuring fulfilment of their ESG related compliances.



We are also formulating plans for spending on research and development activities to constantly work on enhancing the existing application and adding more use cases of recyclable waste.



· To facilitate scalability of our operations, we are strongly committed to enhancing our technological capabilities. We currently exploring the possibility of integration of technologies in our system to facilitate highly automated end to end traceability of waste right from the ragpicker to the end customer.

· We are in the process of developing a cloud-based platform where buy and sell rates shall be visible for recyclers and suppliers to strike a deal without manual intervention. The application shall also provide AI driven market intelligence in terms of price trends, future industry outlook, government policies and environmental compliances and latest news and events in the waste management industry.



· We are also working towards unlocking the opportunities offered by the new age blockchain platform. RACE is currently exploring the concept of blockchain based digital “tokens”. These tokens would be available on a blockchain for trade and would be digital representation of the investments made in environmental conscious projects which keep sustainable ESG practices at their core.

Inorganic Growth strategies

- In order to enhance our market position through inorganic alliances, we are actively pursuing various prospects for mergers and acquisitions.
- We have recently completed the acquisition of Abhay Innovative Engineering Ltd., which is in the process of acquiring the business of a Pet Bottle scrap Washing lines.
- Moreover, we are also evaluating a proposal to acquire two operational Pet Bottle Scrap Washing lines located in Hyderabad.
- These acquisitions, being complementary to our existing plastic scrap business, are anticipated to result in significant improvement in both revenue and profitability going forward.
- Our team is diligently investigating additional opportunities with the objective of enhancing our existing business value.

Asset Program (CSR Initiative)

ASSET (ABHAY Sponsorship on Skill Development & Education for Tomorrow) is an initiative taken up by **RACE** to support and enrich the livelihood of each person associated with waste management.

RACE is helping children in getting education and encouraging talents (extracurricular activities like: Sports, Music, Art & Craft) by providing them with the support they need to fulfil their dreams and aspirations.

ASSET programme will not only help to improve the educational outcomes of children but also contribute towards building a more equitable and inclusive society.

Through ASSET program, RACE wants to contribute to society by providing scholarships, internships, and training programs to students, especially those from underprivileged backgrounds.

Further, our ASSET programme also includes Women Empowerment Program that would assist women in developing skills (like via formal education, vocational training, on the job training, etc) to earn a living.

By investing in education, skill & talent development, RACE can help to promote a skilled and educated workforce, reduce poverty, and create sustainable economic growth.

We are strongly committed to expand our ASSET programme so that we can reach to society at large & benefit our value chain.



E2E (Educate To Empower)



S3 (Starlight Starship Scholars)



TTPP (Turning Talent to Profession Program)



Empowering Households

Financial Statements' Analysis

The following financials reveal our growth trajectory that has been consistently strengthening year after year. Motivated by our achievements, we are confident of our prospects.

We invite you to look at our numbers and see for yourself how we have been delivering value to our stakeholders. Given below is our summarized income statement:

Financial Overview		INR Lakhs		
INR Lakhs	FY21	FY22	FY23	
INCOME STATEMENT				
Revenue from Operations	5,872	15,721	26,908	
Operating Costs	5,888	15,703	26,700	
Operating Profit (EBITDA)	-16	18	209	
Other Income	250	162	85	
Finance Costs	63	42	70	
Depreciation and amortisation	23	33	44	
Profit Before Tax (PBT)	147	106	179	
Less: Tax expense	48	14	48	
Profit After Tax (PAT)	100	92	130	

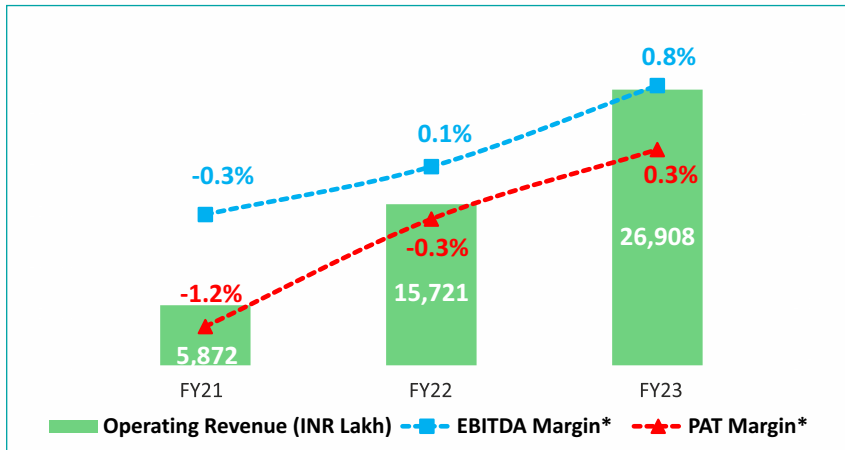


“Organising the unorganised” with this motive in mind, we embarked upon our journey into the waste management space in FY21.



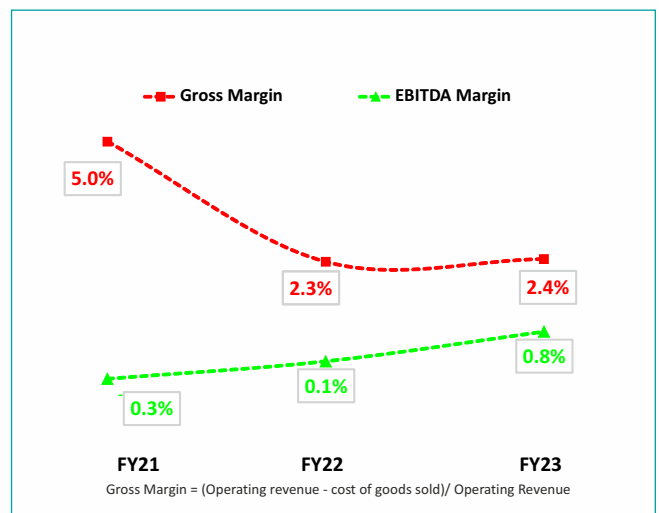
Growing at a CAGR of more than 110% since last 2 year, our revenue for FY23 stands at INR 26,908 lakhs as against INR 15,721 lakhs in FY22.





*To reflect upon our core operations, EBITDA margin and PAT margin are computed excluding other income (non-operating income)

- Our business is a **mirror image of traditional businesses**. Unlike traditional businesses, where typically customers are geographically scattered & hence striving for customer acquisition (demand basically) is a major challenge. But in our business, it's the reverse scenario.
- Our buyers (customers) i.e., the recyclers are highly organised, sizeable, and concentrated while our suppliers are immensely scattered PAN India & are unorganized.
- Unlike traditional businesses, we have been incurring **supplier acquisition costs (as against customer acquisition costs)** to develop a robust PAN India supplier's network & attain **scalability** which is amongst **key entry challenges** for any player in this business to sustain.
- At the same time, another major challenge for us has been **logistic costs**. Currently It constitutes around 10 - 15% of our sales depending on the geographic location.
- Presently, our supplier network is not vast enough to support us in optimizing our logistic costs.
- In a nutshell, initial supplier acquisition costs coupled with suboptimal logistic costs have been consuming our margins. Hence, our gross margins have been trending lower. For the FY23 our gross margin is 2.4%
- Owing to this, our return on net worth (RONW) is also low. For FY23 RONW stands at 6.6%.



- However, there also have been some positives for us. Backed by our revenue growth, we have been able to attain benefits of economies of scale. Hence, despite lower gross margins, we have been able to constantly improve on our operating margins (EBITDA margins) as depicted graphically. Our operating profit for FY23 is INR 209 lakhs as against INR 18 lakhs in FY22



- Thus, purely based on our operating efficiency enhancement, we have been able to improve our profitability & returns as can be witnessed in our current FY23 results.
- In the bottom line, our PAT for FY23 is INR 130 lakhs as compared to INR 92 lakhs during FY22
- **The Future Roadmap:** Levering the initial supplier acquisition costs and backed by our constant efforts on expanding our supplier base PAN India each year, we envision to be able to optimize our logistic costs in forthcoming years which will help us uplift our margins and hence our return on equity.

Knowing our Key Performance Indicators (KPIs)

- KPI is an indicator which can qualitative (E.g., brand awareness) or quantitative (E.g., financial ratios)
- KPIs as the name suggests are the indicators that help a company to evaluate its performance on a particular business aspect and hence undertake improvement action plans if required.
- Our management team is strongly focused on:
 - Identifying our KPIs
 - Understanding the interrelatedness amongst these
 - Laying a long-term guidance/optimal level for these KPIs
- This exercise helps us analyse our business decisions comprehensively.
- A glimpse to some of our KPIs is as follows:

KPIs/Financial metrics	Guidance/Optimal levels	Levels as on FY 23
Total Debt to Equity	0.5	0.5
Interest coverage ratio	5	3.0
Working capital days	30	24
Incremental districts (annually)*	12 -15	5
Logistic cost (% of Sales)**	Reduce by 1 - 2%	10% - 15%
R&D Budget (% Operating Cash Flows)	5-7% p.a.	-

**In pursuit of expanding our nationwide reach and market penetration, our objective is to incorporate 12 – 15 districts annually.*

*** Logistic Cost vary from 10-15% depending on the geographic location. We aim to improve on this KPI over long term period of 5 years*

- A particular KPI may indicate that we are not performing at our desired level at a certain time, which motivates us to analyse the gaps, take corrective actions and improve our performance.



KEY PERFORMANCE INDICATORS

The Board



Mr. Sunil Malik (Managing Director)



Mr. Raj K Modani
Executive Director



Mr. Pranav Vasan
Director



Mr. Rama Nand Gupta
Director



Mr. Sanjay Kukreja
Independent Director



Mr. Anil Kumar Bhel
Independent Director



Mr. Lalit Malik
Non Executive Director



Ms. Seema Malik
Independent Director



Mr. Piyanshu Sharma
Executive Director & CFO

Walk Down The Memory Lane







**AGM Notice, Board Report,
Corporate Governance Report
& Auditors Report**

Notice

Notice is hereby given that the **23rd Annual General Meeting** of the Members of the **RACE ECO CHAIN LIMITED** will be held on **Monday, 25th September, 2023 at 12:30 P.M (IST)** through Video Conferencing (VC)/ other Audio-Visual Means (OVAM) to transact the following business: -

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ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the reports of Board of Directors and Auditors thereon.
2. To re-appoint Mr. Sunil Kumar Malik (DIN 00143453), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard.

SPECIAL BUSINESS:-

3. **TO APPOINT MRS. SEEMA MALIK (DIN: 09498208), AS AN INDEPENDENT DIRECTOR ON THE BOARD OF THE COMPANY**

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:-**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. Seema Malik (DIN: 09498208) who has submitted a declaration that she meets the criteria for independence as provided under the Act and Listing Regulations, be and is hereby appointed as an Non-Executive Independent Director to hold office for a term of 5 (Five) consecutive years with effect from 30th June, 2023 to 29th June, 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

4. **TO APPOINT MR. PRANAV VASAN (DIN: 07631095), AS AN INDEPENDENT DIRECTOR ON THE BOARD OF THE COMPANY**

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:-**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Pranav (DIN: 07631095) who has submitted a declaration that he meets the criteria for independence as provided under the Act and Listing Regulations, be and is hereby appointed as Non-Executive Independent Director from Non-Executive Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 30th June, 2023 to 29th June, 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

5. REGULARIZATION OF ADDITIONAL DIRECTOR, MR. PIYANSHU SHARMA (DIN: 01485270), AS DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-

RESOLVED THAT Mr. Piyanshu Sharma (DIN: 01485270), who was appointed as an Additional Director in the Board Meeting held on 12th August 2023 who holds office upto the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

6. APPROVE THE BORROWING POWERS OF BOARD OF THE DIRECTORS UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013 UPTO THE REVISED LIMIT OF RS. 500 CRORES

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-

RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company in the annual General Meeting held on 29th September, 2017, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent 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 thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital, free reserves and its securities premium of the Company, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 500 crores (Rupees Five Hundred Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.

7. TO SELL, LEASE, MORTGAGE OR OTHERWISE DISPOSED OF WHOLE OR SUBSTANTIALLY WHOLE OF THE UNDERTAKING OF THE COMPANY UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013 UPTO LIMIT OF RS. 500 CRORES

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-

RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the Company be and is hereby accorded to the Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the such movable and/or immovable properties and / or undertaking of the Company in favour of Financial Institution (s)/ Bank(s)/ Lender (s)/ Agent (s)/ Trust (s) for securing the borrowings availed/ to be availed by the Company, by way of loan (s) and/or securities issued/ to be issued by the Company time to time together with interest, cost, charges and expenses thereon and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs. 500 crores (Rupees Five Hundred Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.

8. APPROVE THE LIMIT OF INTER CORPORATE LOAN, GUARANTEE, SECURITY AND/ OR TO INVEST THE FUNDS OF THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013 UPTO LIMIT OF RS. 500 CRORES

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-

RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 500 crores (Rupees Five Hundred Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.

Date: August 12th, 2023
Place: New-Delhi

**By Order of the Board of
Director
For Race Eco Chain Limited**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
159, Gagan Vihar,
New-Delhi-110051**

Notes:-

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and December 28, 2022, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/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 AGM of the Company shall be held through VC/OAVM. The deemed venue for the 23rd AGM shall be the Registered Office of the Company.
2. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Authorized representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. authorizing them to attend the AGM, by e-mail to cs@raceecochain.com.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special business is annexed to this Notice.
5. Notice of the **23rd Annual General Meeting** and the Annual Report for 2023 will also be available on the Company’s website www.raceecochain.com for their download. For any communication, the shareholders may also send requests to the Company’s investor email id: cs@raceecochain.com
Members are requested to intimate changes in their address immediately to **M/s Bigshare Services Private Limited**, the Company’s Registrar and Share Transfer Agents, at their office 1st Floor, Bharat Tin Works Building, Marol Maroshi Road, Andheri (East), Mumbai-400059.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 19th September, 2023 to Monday, 25th September, 2023** (both days inclusive) for the purpose of the Annual General Meeting.
7. 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 for 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 Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. 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 the Circulars issued by the Ministry of Corporate Affairs 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as VC/OAVM voting on the date of the AGM will be provided by NSDL..The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE and NSE Limited at www.bseindia.com, www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
10. Members, who are wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (SH-13) of Companies Act, 2013 to the Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
11. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to **M/s Bigshare Services Private Limited**, Registrar and Share Transfer Agents of the Company, at their address given above.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self-attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **the cut-off date (Record date) Monday September 18th, 2023**.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Friday, 22nd September 2023 (9:00 am) and ends on Sunday 24th September, 2023 (5:00 pm). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members as on the record date (cut-off date) i.e. Monday September 18th, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday September 18th, 2023

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:-

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2 : Cast your vote electronically on NSDL e-Voting system




Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

Login method for Individual shareholders holding securities in demat mode is given below:-

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the

	<p>remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speed” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="794 436 1329 734" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress

	and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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 a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:-

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*****

5. Password details for shareholders other than Individual shareholders are given below:

- a.) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b.) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c.) How to retrieve your 'initial password'?
 1. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

2. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, home page of e-Voting will open.

Details on Step 2 is given below:-

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines:-

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to amitsaxenacs@yahoo.com Please mention the e-mail ID of <Scrutinizer>with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go

through the “Forgot User Details/Password” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@racecochain.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@racecochain.com

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:-

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@raceecochain.com
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. **Mr. Amit Saxena, Proprietor of M/s. Amit Saxena & Associates**, Practicing Company Secretary and has been appointed as the Scrutinizer to scrutinize the e-voting process in affair and transparent manner.
9. The Scrutinizer shall immediately after the conclusion of voting at the meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses, who are not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers' Report of the votes cast in favour or against, if any, not later than 48 (forty eight) hours of conclusion of the meeting to the Chairman or a person authorized by him in writing, who shall countersign the same. The Chairman or any other person authorized by him in writing, shall declare the results of the voting forthwith.
10. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raceecochain.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE of India Limited.

Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting.

Particulars	Mr. Piyanshu Sharma Director	Mr. Pranav Vasan Independent Director	Mrs. Seema Malik Independent Director)
Date of Birth	06/12/1987	22/11/1978	08/08/1967
Date of first appointment on the Board	12/08/2023	12/04/2019	30/06/2023
Qualification	Graduate	Graduate	Graduate
Experience	More than 10 years	More than 5 years	More than 5 years
Terms and Conditions of appointment and re- appointment	As per recommendation of Nomination & Remuneration Committee and Board	As per recommendation of Nomination & Remuneration Committee and Board	As per recommendation of Nomination & Remuneration Committee and Board
Remuneration	NA	NA	NA
Other Directorships	J.S. Finlease Private Limited Runit Exim Private Limited Sunstar Share Brokers Private Limited Seven Star Infratech Private Limited Anisha Dazzle Films Private Limited Strikersports Academy Private Limited	U A Marketing Private Limited Anisha Fincap Consultants (IFSC) Private Limited	Fabwise India Pvt Ltd
Chairman/ Member of Committee of the Board of other Companies of which he is a Director	NIL	NIL	NIL
Shareholding in Race Eco Chain Limited as on date of Report	NIL	10000	NIL

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: August 12th, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar
East Delhi-110051**

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Appointment of Mrs. Seema Malik (DIN: 09498208) as an Independent Director of the Company

In terms of the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors has appointed, subject to the approval of the members at the AGM, Mrs. Seema Malik (DIN: 09498208) as Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from 30th June, 2023 till 29th June, 2028. Mrs. Seema Malik has given her consent to act as Director. She has also given declaration to the effect that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and he meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations.

In the opinion of the Board, Mrs. Seema Malik possess appropriate skills, experience & knowledge which would enable the Board to discharge its functions and duties effectively, and fulfils the conditions for appointment as an Independent Director as specified in the Act read with rules made thereunder and the Listing Regulations and that he is independent of the management. The disclosures including brief resume and other details prescribed under Regulation 26(4) and 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided above of the Notice. Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members at the Registered Office as well as at Registered Office of the Company on all working days during normal business hours upto the date of AGM. The terms and conditions of their appointment, being Independent Directors, posted on the Company's website www.racecochain.com

The Board of Directors recommends the **Special Resolution** set out at **Item No. 3** of the Notice of AGM for approval of the members.

Except Mrs. Seema Malik and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 4

Appointment of Mr. Pranav Vasan (DIN: 07631095) as an Independent Director of the Company

Mr. Pranav Vasan was appointed as Non-Executive Director of the Company in the AGM held on 30th September, 2019. In terms of the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors has decided to change the designation of Mr. Pranav Vasan (DIN: 07631095), subject to the approval of the members at the AGM, as Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from 30th June, 2023 till 29th June, 2028. Mr. Pranav Vasan given his consent to act as Director. He has also given declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and he meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations.

In the opinion of the Board, Mr. Pranav Vasan possess appropriate skills, experience & amp; knowledge which would enable the Board to discharge its functions and duties effectively, and fulfils the conditions for appointment as an Independent Director as specified in the Act read with rules made thereunder and the Listing Regulations and that he is independent of the management. The disclosures including brief resume and other details prescribed under Regulation 26(4) and 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided above of the Notice. Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members at the Registered Office as well as at Registered Office of the Company on all working days during normal business hours upto the date of AGM. The terms and conditions of their appointment, being Independent Directors, posted on the Company's website www.racecochain.com

The Board of Directors recommends the **Special Resolution** set out at **Item No. 4** of the Notice of AGM for approval of the members.

Except Mr. Pranav Vasan and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 5

Regularization of Additional Director, Mr. Piyanshu Sharma (DIN: 01485270), as Director of the Company

Mr. Piyanshu Sharma (DIN: 01485270) was appointed as an Additional Director with effect from 12th^t August, 2023, in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company. The Board is of the view that the appointment of Mr. Piyanshu Sharma on the Company Board is desirable and would be beneficial to the Company.

The Board of Directors recommends the **Ordinary Resolution** set out at **Item No. 5** of the Notice of AGM for approval of the members.

Except Mr. Piyanshu Sharma and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 6 & 7

Approve the Powers of board of the directors under section 180(1)(c) & 180(1) (a) of the companies act, 2013 upto the revised limit of Rs. 500 crores

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up Share Capital, Free Reserves and Securities Premium of the Company.

Taking into consideration the growth in the business operations, foreseeable future plans and the existing credit facilities availed by the Company, it would be in the interest of the Company to enhance the borrowing limits for the Board and authorise the Board of Directors to borrow monies which may

exceed at any time the aggregate of the paid-up capital of the Company, free reserves and securities premium but that shall not to exceed Rs. 500 Crores (Rupees Five Hundred Crores Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees. Further, the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013. Hence it shall be necessary to obtain approval for the same from the Shareholders.

The Board of Directors recommends the **Special Resolution** set out at **Item No. 6 & 7** of the Notice of AGM for approval of the members.

None of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 8

Approve the limit of Inter Corporate Loan, Guarantee, Security and/ or to Invest the funds of the Company under Section 186 of the Companies Act, 2013 upto limit of Rs. 500 crores

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.

The Board of Directors recommends the **Special Resolution** set out at **Item No. 8** of the Notice of AGM for approval of the members.

None of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: August 12th, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar East Delhi-110051**

Board's Report

To,

The Members
Race Eco Chain Limited

Your Directors are pleased to present their **23rd Board Report** on the business and operations of your Company together with the Audited Accounts for the year ended **31st March, 2023**.

The Financial performance of the Company for year ended **31st March 2023** is summarized below: -

Financial Highlights:-

(Rs. In Lakhs)

<u>Particulars</u>	2022-23	2021-22
Income from operations	26908.49	15721.26
Other Income	84.68	162.43
Total Income	26993.17	15883.69
Less: Expenditure	26814.31	15777.59
Profit/(Loss) before Interest, Depreciation & Tax	178.86	106.10
Less: Interest & Depreciation	NIL	NIL
Profit & Loss Before Tax	178.86	106.10
Less: Tax Expense	53.53	18.57
Add: Deferred Tax	5.15	4.20
Profit/(Loss) after Tax	130.48	91.72
Profit for the Year	130.48	91.72

Company Performance Overview

During the year under review, total income was Rs. 26993.17 Lacs as compared to Rs. 15883.69 Lacs in 2022. Net Sales for the current financial year were Rs. 26908.49 Lacs as compared to Rs. 15721.26 Lacs in 2022. Profit after tax (PAT) stood at Rs. 130.48 Lacs as Compared to Rs. 91.72 Lacs in 2022.

Reserve & Surplus

During the Financial year 2022-2023 Rs 130.48 Lacs amount to carry or transfer to Reserve & Surplus Account under Companies Act, 2013.

Dividend

In view of the requirement of the profits for strengthening of the company, your directors have decided to plough back the profit into the business hence no dividend could be recommended for the year under review.

Share Capital

The paid-up Equity Share Capital as on March 31, 2023 was Rs.164322000. During the year under review the company has not issued any shares or any convertible instruments.

Subsidiary Company/Associate/Joint Venture

There has been no subsidiary, Associate and Joint Venture companies during the year, as such; the requirement of furnishing information relating to performance and financial position of the subsidiary, Associate and Joint Venture companies is not applicable.

Investor Complaints and Compliance

During the year review 1 case was registered on SCORES Portal of SEBI from any investor of the Company and same was resolved by the Compliance Officer of the Company.

Directors and Key Managerial Personal

During the year under review and as on the date of this report, following are the Directors and KMPs. along with the changes among them: -

The Details of Directors and KMP are as Follows: -

Name of the Person	Designation
Mr. Sunil Kumar Malik	Managing Director
Mr. Rama Nand Gupta	Director Appointed as on 31 st August, 2022
Mr. Raj Kumar Modani	Director Appointed as on 10 th November, 2022
Mr. Lalit Malik	Non-Executive Director Appointed as on 04 th February, 2023
Mr. Sanjay Kukreja	Independent Director
Mr. Anil Kumar Behl	Independent Director Appointed as on 31 st August, 2022
Mrs. Seema Malik	Additional Independent Director appointed on 30 th June, 2023
Mr. Pranav Vasani	Independent Director (Appointed as an Independent Director on 30 th June 2023 from Non-Executive Director)
Mr. Anshu Agarwal	Whole-Time Director Resigned on 30.03.2023
Mrs. Nisha Jain	Independent Director (Resigned on 09 th June, 2023)
Mr. Anshu Agarwal	Chief Financial Officer Resigned on 12 th August, 2023
Mr. Piyanshu Sharma	Additional Director & CFO appointed on 12 th August, 2023
Ms. Shiwati	Company Secretary & Compliance officer

In accordance with the provisions of Companies Act, 2013 Mr. Sunil Kumar Malik (DIN 00143453), Director retires by rotation and being eligible offers himself for re-appointment.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d). that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Declaration from Independent Directors

All Independent directors except Ms. Nisha Jain have given declaration that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to not passing of Independent Directors Exam.

Committees

As on date of this Report, The Board has three Committees:-

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders’ Relationship Committee

Audit Committee

The company is having an audit committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Anil Kumar Behl	Chairman	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent
Rama Nand Gupta	Member	Executive Director (Appointed as a Member in Committee on 30 th March, 2023)
Anshu Agarwal	Member	Executive Director (Resigned on 30 th March, 2023)

Nomination and Remuneration Committee

The company is having a Nomination and Remuneration Committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Sanjay Kukreja	Chairman	Non-Executive & Independent
Anil Kumar Behl	Member	Non-Executive & Independent
Pranav Vasan	Member	Non-Executive & Independent (Appointed as a Member in Committee on 30 th June, 2023)
Nisha Jain	Member	Non-Executive & Independent (Resigned on 09 th June, 2023)

Stakeholders' Relationship Committee

The company is having a Stakeholders Relationship Committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Pranav Vasan	Chairman	Non-Executive & Independent (Appointed as a Chairman in Committee on 30 th June, 2023)
Nisha Jain	Member	Non-Executive & Independent (Resigned on 09 th June, 2023)
Anil Kumar Behl	Member	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent

As per Regulation 21 of SEBI (LODR), Regulations, 2015, the Board needs not to constitute Risk Management Committee, wherein majority of the members of Risk and Management Committee should consists of Members of Boards. This regulation is applicable only to top 100 listed entities, determined on the basis of market capitalization, as at the end of the preceding financial year. Since your Company is not amongst top 100 listed entities, your Company has not constituted a Risk Management Committee.

In line with the provisions of the Act and SEBI (LODR), the Company has devised and implemented a vigil mechanism, in the form of "Whistle Blower Policy". As per the Policy, the Company has an internal committee comprising of the Head-HR and the Compliance Officer of the Company to address the functioning of the vigil mechanism as mandated by the Act and assist the Audit Committee thereunder.

Board Meetings

During the year 5 Board Meetings and one Independent Directors Meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were adhered to while considering the time gap between two meetings. During the year under review, the Independent Director met on March 30th, 2023.

Compliance with Secretarial Standards

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

Related Party Transactions

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. All transactions entered with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC- 2 is not required. Related party transactions have been disclosed under the **Note 34** of the financial statements in accordance with INDAS 24.

A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval (if any occurred). As required under Regulation 23 of the Listing Regulations, the Company has formulated a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is available on the website of the Company

Auditors

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Garg Arun & Associates Chartered Accountants (Firm Registration No. 08180N), were appointed as the Company's Statutory Auditors by the shareholders at their 21st AGM held on September 30, 2021, for a period of five years (i.e) till the conclusion of the 26th Annual General Meeting.

The reports of Statutory Auditors on Financial Statements for the financial year 2022-23 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

Secretarial Auditors

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. R. Miglani & Co., (CP No: 11273, FCS: 30016)**, Company Secretaries to undertake the secretarial audit of the company.

The Secretarial Auditor Report for the financial year 2022-23 forms part of the Annual Report as '**Annexure 1**'. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Reports but there are some clarification that the Company provided to the Secretarial Auditor and the same is incorporated in her Report.

Internal Auditors

M/s. SSAR & Associates, Chartered Accountants performs the duties of Internal Auditors of the Company and their report is reviewed by the audit committee from time to time.

Reporting of Frauds

There was no instance of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(12) of the Act and Rules framed thereunder.

Listing

The Equity Shares of the Company was listed at BSE Limited on SME Platform as on 31st March, 2023 but during the year under review the Company applied for the Migration on the Main Board of the BSE and NSE.

The Company has received the In-Principle Approval for Migration from SME Platform of BSE to the Main Board Platform of Bombay Stock Exchange Limited on April 10, 2023 and simultaneously from the Main Board Platform of National Stock Exchange of India Limited on April 28, 2023.

The Final approval for dealings in the Equity Shares on the Exchange was received from BSE Limited and NSE Limited on Tuesday 09th May, 2023.

Board Evaluation

Pursuant to the provisions of companies Act, 2013 and (Listing Obligation and Disclosure Requirement) Regulation 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

Business Risk Management

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with Regulation 17(9) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

Policy on Directors' Appointment and Remuneration

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Material changes and commitments, if any, affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report.

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2022-2023 and the date of this Report. Further, there was no

change in the nature of business of the Company.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Information Technology and Communications

During the financial year 2022-2023, apart from upgrading the existing software applications with enhanced/ added features to meet the current and emerging business needs, certain new application systems were implemented. Regular Updation of Systems and procedures is undertaken from time to time to provide checks and alerts for avoiding fraud arising out of misrepresentation given by borrower/s while availing loans.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended, the relevant information is given below:

Conservation of Energy

The Company’s operations are not power intensive. Nevertheless, your Company is taking every steps to conserve and minimize the use of energy wherever possible such as using energy efficient computer terminals, purchasing energy efficient equipment etc.

Research and Development

The Company has no formal research and development department but the Company is continuously making efforts to strengthen research and development activities to improve quality and reduce cost.

Technology Import and Absorption

The Company has imported no technology. Indigenous technology available is continuously upgraded to improve overall performance.

Foreign Exchange Earnings and Out Go

Particulars	2022-23	2021-22
Foreign Exchange Outgo	--	0.29
Foreign Exchange Earnings	68.87	384.49

Extracts of Annual Return

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2022-23, is available on the Company’s website at www.racecochain.com

Corporate Governance

According to the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company’s Secretarial Auditors confirming compliance forms an integral part of this Report. The Report on Corporate Governance by Auditor is forming part of Annual Report as an **Annexure-2**

Management Discussion and Analysis Report

Pursuant to the Regulation 34 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Management Discussion and Analysis is a forming part of this Annual Report above.

Public Deposit

Your Company has not accepted any deposits from the public during the year under review.

Corporate Social Responsibility

The Board of Directors of the Company hereby confirms that the provisions of Section 135(1) of the Companies Act, 2013 is not applicable to our Company.

Bonus Issue

The Company has not allotted a bonus issue of Shares during the year.

Auditors' Report

The Auditors' observations are self-explanatory and hence do not call for any further clarification under section 134(5) of the Companies Act, 2013.

Earnings per Share (EPS)

The Earnings per Share (EPS) is Rs. 0.79 as on March 31, 2023 as against Rs. 0.56 as on March 31, 2022.

Regulatory Guidelines/Amendments

The Company has also been following directions, guidelines, circulars issued by RBI, SEBI, BSE, MCA, from time to time pertaining to listed companies.

Codes and Standards Fair Practice Code

The Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with customers and on the organization's policies vis-à-vis client protection.

Internal Control System and their Adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

Vigil Mechanism / Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. The Vigil Mechanism / Whistle Blower Policy will be posted on company website.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments is given by the Company under Section 186 of the Companies Act, 2013 and other detailed are mentioned in Notes to Accounts of the Financial Statements.

Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Corporation is committed to prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In this regard, internal complaints committees have been constituted to deal with sexual harassment complaints, if any and conduct enquires. There were no complaints received of sexual harassment during the financial year 2022-2023.

Code of Conduct

Company has adopted Code of Conduct for its Board Members and Senior Management personnel. The code of conduct has also been posted on the official website of the Company. The declaration by the Managing Director of the Company regarding compliance with the Code of Conduct for Board Members and Senior Management is annexed with the Corporate Governance Report.

Code for Prevention of Insider Trading Practices

Your Company has formulated and adopted a Code for Prevention of Insider Trading Practices in accordance with the model code of conduct as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The code is applicable to all directors, senior employees and their dependents. The said persons are restricted from dealing in the securities of the Company during the 'restricted trading periods' notified by the Company, from time to time. The code for prevention of Insider trading has also been posted on the official website of the Company.

Nomination and Remuneration Policy

The Company has implemented an Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report, attached to this Report.

Particulars of Employees

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-3** which forms part of this Report.

Note of Appreciation

The Directors place on record their appreciation for co-operation and support extended by the Government, RBI, Banks, SEBI, Shareholders, Bankers to issue, RTA and customers for their continued support extended to the company at all times. The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year.

**By Order of the Board of Directors
Race Eco Chain Limited**

**Date: August 12th, 2023
Place : New Delhi**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
Add: 159, Gagan Vihar
New Delhi-110051**

**Sd/-
Rama Nand Gupta
Director
DIN: 03397154
Add: B-40, UG -1, OPP. DAV School,
Ram Prastha Colony, UP-201011**

Form No. MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
The Members,
Race Eco Chain Limited
Unit No.203, Plaza- P 3,
Central Square, Bara
Hindu Rao, Delhi-
110006.

I have conducted the Secretarial Audit of the compliance of applicable, statutory provisions and the adherence to good corporate practices by Race Eco Chain Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Opinion

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 representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2023 and made available to me, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
 - a. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - b. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - c. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing.
 - d. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- a). The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b). The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c). The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- d). The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e). The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period);

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

- a) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under audit and review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except;

Please refer Annexure A' Discrepancies found during our audit attached to this report.

I further report that, there were no events / actions in pursuance of:

- a). The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b). The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- c). The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, requiring compliance thereof by the Company during the financial year.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Financial Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws.

I further report that;

1. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
2. 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.

3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within prescribed limit, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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 audit period the company has not made any major changes in the following events/actions in pursuance of the below law, rules, regulations and guidelines.

- i). Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii).Redemption / buy-back of securities
- iii).Foreign technical collaborations

For R MIGLANI & CO.
Company Secretaries

Sd/

-

CS Rajni Miglani
Proprietor

M. No.: 30016

C .O .P No: 11273

PR No.: 2392/2022

UDIN: A030016E000464527

Date: June 07, 2023

Place: New-Delhi

Note- This report is to be read with our letter of even date which is annexed as Annexure-A & Annexure B and forms an integral part of this report.

DISCREPANCIES FOUND DURING THE AUDIT

Please note that Ms. Nisha Jain, Independent director on the Board of the Listed entity have not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of their name in the databank and her name was removed from Independent Director's Databank according to the provisions of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

However in accordance with the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022. Dated 10.06.2022, Ms. Nisha Jain can apply for restoration her name in Independent Director's Databank within one year from the date mentioned in the amendment and is due for passing the said test before June, 2023.

The Company has not made mandatory disclosure in Board's report with regard to following as required under Section 134 of Companies Act, 2013 read with rule 8 (5)(xi) & 8(5)(xii) of Companies (Accounts) Rules, 2014

(a) application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

(b) any one-time settlement with any Banks or Financial Institutions.

However the management has confirmed that there were no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016; further there were no cases of one-time settlement with any Banks or Financial Institutions.

During the reporting period the Company has revised and resubmitted following disclosures due to queries raised by the BSE SME platform Under process of migration of the listed entity from BSE SME platform to BSE Main Board under SEBI (LODR) Regulation, 2015 and SEBI (DP) Regulation, 2015;

The listed entity has revised Shareholding Pattern for the quarter ended March, 2022

The listed entity has revised Corporate Governance report for the quarter ended December, 2022

The listed entity has submitted revised financial results for the year ended March, 2022

The listed entity has submitted revised Reconciliation of share capital audit for the year ended June, 2022.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-

CS Rajni Miglani

Proprietor

M. No.: 30016

C .O .P No: 11273

PR No.: 2392/2022

UDIN: A030016E000464527

Date: June 07, 2023

Place: New-Delhi

**To,
The members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square Bara Hindu Rao,
Delhi-110006.**

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

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 my audit.

I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices i followed provide a reasonable basis for my opinion. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-

**CS Rajni Miglani
Proprietor**

M. No.: 30016

C .O .P No: 11273

PR No.: 2392/2022

UDIN: A030016E000464527

Date: June 07, 2023

Place: New-Delhi

Corporate Governance Report

Corporate Governance

The Directors present the Company's Report on code of Corporate Governance for the Year end March 31, 2023 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Philosophy

As a responsible corporate citizen **RACE ECO** is committed to maintain the highest standards of good Corporate Governance in all areas of its operation. Our Team are committed towards the protection of the interest of the Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through–

1. Infusion of best expertise in the Board Members;
2. Consistent monitoring and improvement of the human and physical resources;
3. Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

Composition of Board

The Board has 8 members out of which 3 are Non-Executive Independent Directors including a Woman Director with 1 Executive Chairman and Managing Director, another 2 are Executive Director and 2 are Non- Executive Director. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The maximum tenure of Independent Directors is up to 5 consecutive years from the date of their appointment. The date of appointment and tenure of the existing Independent Directors are given below:-

S.No	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1.	Anil Kumar Behl	31-08-2022	30-08-2027
2.	Sanjay Kukreja	20-07-2019	19-07-2024
3.	Nisha Jain	30-09-2020	30-09-2025

- **Mr. Puneet Bhawaker was the Independent Director of the Company but due to his pre-occupancy he resigned from the Directorship w.e.f 31st August, 2022.**

Key Functions of Board

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Monitoring effectiveness of the Company's governance, policies & practices and making changes as needed;
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

Meeting of Board of Directors

During the financial year under review, the Board met 5 times i.e. on 27-05-2022, 31-08-2022, 10-11-2022, 02-01-2023 and 30-03-2023

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the provisions of the Companies Act, 2013, Secretarial Standard-1 and Listing Regulations.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/respective Committee in its next Meeting.

Composition of the Board of Directors as on March 31, 2023 and attendance at the Board Meetings held during the Financial Year ended March 31, 2023 and at the last Annual General Meeting ('AGM') are given in table below:

S.No	Name of Director	Category	Board Meeting Attended	AGM Attended
1.	Puneet Bhawaker (Resigned on 31-08-2022)	Independent Director	2	Not Eligible
2.	Sanjay Kukreja	Independent Director	5	Yes
3.	Nisha Jain	Independent Director	5	Yes
4.	Sunil Kumar Malik	MD & Chairman	5	Yes
5.	Anshu Agarwal (Resigned on 30-03-2023)	WTD	5	Yes
6.	Pranav Vasani	Non-Executive Director	5	Yes
7.	Rama Nand Gupta (Appointed on 31-08-2022)	Executive Director	3	Yes
8.	Anil Kumar Behl (Appointed on 31-08-2022)	Independent Director	3	Yes
9.	Lalit Malik (Appointed on 02-01-2023)	Non-Executive Director	0	Not Eligible
10.	Raj Kumar Modani (Appointed on 10-11-2022)	Executive Director	2	Not Eligible

Other Directorship

The composition and category of the Board of Directors as at March 31, 2023, the number of other Directorships/Committee memberships are as under:-

Name of Directors	Designation	No. Of Directorship		No. Of Committee Positions	
		Public	Private	Member	Chairman
Sunil Kumar Malik	MD & Chairman	3	3	Nil	Nil
Anshu Agarwal (Resigned on 30.03.2023)	Whole Time Director	Nil	1	Nil	Nil
Nisha Jain	Non-Executive Independent Director	Nil	1	Nil	Nil
Sanjay Kukreja	Non-Executive Independent Director	1	Nil	3	3
Anil Kumar Behl	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Pranav Vasani	Non-Executive Director	Nil	2	Nil	Nil
Rama Nand Gupta	Executive Director	Nil	Nil	Nil	Nil
Lalit kumar Malik	Non-Executive Director	1	Nil	Nil	Nil
Raj Kumar Modani	Executive Director	Nil	Nil	Nil	Nil

Relationship between directors

Except Mr. Lalit Malik brother of Sunil Kumar Malik None of the Directors are related to each.

Information given to the Board

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

Annual operating plans, budgets and any updates;

Capital budgets and any updates;

Annual and Quarterly results of the Company and its operating divisions or business segments;

Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;

Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary

Show cause, demand, prosecution notices and penalty notices, which are materially important;

Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;

Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;

Issue which involves possible public or product liability claims of substantial nature;

Details of any joint venture or collaboration agreement;

Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;

Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;

Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;

Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;

Minutes of Board Meetings of unlisted subsidiary company(s);

Statement of significant transactions or arrangements made by unlisted subsidiary companies;

Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;

Quarterly statement showing status of investor's complaints;

Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any;

Quarterly Compliance Report on Corporate Governances.

Board Process

The Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors at least 7 days before the meetings.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

The Company has complied with the Secretarial Standard-1 on Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

Independent Directors Meeting

Independent Directors met on March 30, 2023, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2023. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors

In Compliance with the Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors.

Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

Major Committees are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

Terms of Reference:

Audit Committee are formulated in accordance with the regulatory requirements Mandated by the Act and Listing Regulations which, interilic, includes the following:-

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
5. Recommending the appointment, remuneration, terms of appointment and scope of Statutory Auditors of the Company and approval for payment towards any other service;
6. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
7. Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted;
8. Reviewing, approving or subsequently modifying transactions of the Company with related parties; and
9. Review compliance with provisions of Securities Exchange Board of India (Prevention of Insider Trading) Regulation, 2015 (including any amendment(s) or modification(s) from time to time) at least once in a financial year and verify that the systems for internal controls for ensuring compliance to these Regulations, are adequate and are operating effectively.

Meeting, Quorum and Attendance

Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the financial year under review 2022-23 the Committee Members met 4 times i.e. on 27-05-2022, 31-08-2022, 10-11.2022 and 02.01.2023

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker Resigned on 31.08.2022	4	Eligible for 2
2.	Anshu Agarwal Resigned on 30.03.2023	4	4
3.	Anil Kumar Behl Appointed on 31.08.2022	4	Eligible for 2
4.	Raman Nand Gupta Appointed on 31.08.2022	4	Not Eligible as there is no Meeting after Appointment

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 with Part D of Schedule II to the SEBI Listing Regulations, 2015

Terms of Reference:

The terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:-

1. Formulate a criterion for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
3. Devise a policy on Board Diversity;
4. 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;
5. Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
6. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;
7. Recommend to the Board all remuneration, in whatever form, payable to Senior Management;
8. Play the role of Compensation Committee and to act as an administrator to any of the Employees' Stock Option Schemes (as may be notified from time to time); and
9. Undertake any other matters as the Board may decide from time to time.

Meeting, Quorum and Attendance

The Committee meets at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least 1 Independent Directors.

During the financial year under review 2022-2023 the Committee Members met 4 times i.e. on 27-05-2022, 31-08-2022, 10-11.2022 and 02.01.2023

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker Resigned on 31.08.2022	4	Eligible for 2
2.	Sanjay Kukreja	4	4
3.	Nisha Jain	4	4
4.	Anil Kumar Behl Appointed on 31.08.2022	4	Eligible for 2

Stakeholders Relationship Committee

The Stakeholders' Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for inter alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations, 2015. Additionally, the Board has authorised the Company Secretary to exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

Terms of Reference:

The terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:-

1. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, 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 and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notice by the shareholders of the Company; and
6. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

Meeting, Quorum and Attendance

The Committee meets at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee.

During the financial year under review 2022-2023 the Committee Members met 1 times i.e. on 27-05-2023

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker Resigned on 31.08.2022	1	1
2.	Sanjay Kukreja	1	1
3.	Nisha Jain	1	1
4	Anil Kumar Behl Appointed on 31.08.2022	1	Not Eligible as there is no Meeting after Appointment

During the FY 2022-23, 1 Complaint received from the Investor and same was resolved on time. Hence No complaint was pending as on March 31, 2023

During the FY 2022-23, The Company had 782 shareholders as on March 31, 2023.

Compliance Officer

Ms. Shiwati, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations, 2015 and she was appointed on November 12, 2020 as Company Secretary and Compliance Officer of the Company.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors

(A) Remuneration to Executive Directors

Remuneration paid to Chairman and Managing Director during financial year 2022-23 is Rs. 14.00 Lac p.a

Remuneration paid to Whole Time Director and CFO during financial year 2022-23 is Rs. 9.36 Lac p.a

Remuneration paid to Executive Director Mr. Rama-Nand Executive during financial year 2022-23 is Rs. 5.25 Lac from the date of the appointment.

(B) Remuneration to Non-Executive Directors

Mr. Puneet Bhawaker (Resigned on 31.08.2022), Mr. Sanjay Kukreja, Mr. Anil Kumar Behl (Appointed on 31.08.2022) and Mrs. Nisha Jain, Non-Executive Director, have opted not to receive any remuneration.

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They have opted not to receive any remuneration or sitting fees for attending the meetings. The criteria have been defined in the Nomination and Remuneration Policy of the Company.

General Body Meetings:

The details of date, time and location of annual general meetings held in the last three years are as under:-

Year	Date of AGM	Day	Time	Venue
2021-22	30.09.2022	Friday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006
2020-21	30.09.2021	Thursday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006
2019-20	30.09.2020	Wednesday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006

No. of Special resolutions passed during the last three AGM's: -

AGM	No. of Special Resolution
2021-22	1
2020-21	1
2019-20	2

Subsidiary Company

There is no subsidiary company.

Proceeds from Public issue, Rights issue, Preferential issue

During the period there is no any further issue of equity share capital.

Codes and Policies

Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Sunil Kumar Malik, Managing Director and Mr. Anshu Agarwal, CFO is enclosed as **Annexure-(P)**

The Board of the Directors and Compliance Officer is responsible for setting forth policies and codes on behalf of the Company and they have Formulate the following Polices and its available on the website of the company :-

- Policy for Determining the Material Subsidiary
- Policy for Dealing with Related Party Transactions
- Code of Conduct for Insider Trading
- Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information
- Whistle Blower Policy

Disclosures

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Race Eco Chain Limited ('the Company'). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance.

- (a) The Company had not entered into any transaction of a material nature, which will have a conflict with its interest during the year. The disclosure of related party transactions as required by the Accounting Standard (AS) 18 on 'Related Party Disclosers' issued by the Institute of Chartered Accountants of India (ICAI). All the transaction covered under related party transaction were fair, transparent and at arm's length.
- (b) The Company has complied with various rules and regulations prescribed by the Stock Exchange, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years.
- (c) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d) During the year under review, the Company did not raise any proceeds through a public issue, rights issue and/or preferential issue.
- (e) During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.

General Shareholders' Information

Date & Time	25th September, 2023 12:30 PM
Deemed Venue	Unit No.203, Plaza- 3, Central Square Bara Hindu Rao, Delhi-110006.
Financial Year	2022-23
Date of Book Closure	Tuesday, 19th September, 2023 to Sunday, 24th September, 2023
Dividend Payment Date	N.A
Listing on Stock Exchange	<p>The Equity Shares of the Company was listed at BSE Limited on SME Platform as on 31st March, 2023 but during the year under review the Company applied for the Migration on the Main Board of the BSE and NSE.</p> <p>The Company has received the In-Principle Approval for Migration from SME Platform of BSE to the Main Board Platform of Bombay Stock Exchange Limited on April 10, 2023 and simultaneously from the Main Board Platform of National Stock Exchange of India Limited on April 28, 2023.</p> <p>The Final approval for dealings in the Equity Shares on the Exchange was received from BSE Limited and NSE Limited w.e.f. Tuesday 09th May, 2023.</p>
Scrip Code/Symbol	537785/RACE
NSDL/CDSL-ISIN	INE084Q01012
CIN Number	L17101DL1999PLC102506
RTA	Big share Services Private Limited 1st Floor, Bharat Tin Works Building Marol Maroshi Road, Andheri (East), Mumbai-400059

Market Price Data:

The Month High and Low Prices during the year at Bombay Stock Exchange are as follows:-

Month	High	Low
April 2022	171.00	202.90
May 2022	185.95	190.00
June 2022	171.00	183.90
July 2022	152.05	167.50
Aug 2022	167.00	174.90
Sep 2022	169.00	248.50
Oct 2022	210.00	222.00
Nov 2022	208.50	210.00
Dec 2022	207.05	209.95
Jan 2023	203.00	209.95
Feb 2023	204.50	207.90
Mar 2023	202.00	204.75

Share Holding Pattern of the Company as on 31.03.2023

Category	No. of Shares	% (Percentage)
Promoters	7360100	44.79%
Body Corporate	1361875	8.28%
Public	7409600	45.11%
Market Maker	245000	1.49%
Clearing Member	55265	0.33%
Total	16432200	100%

Distribution of Shareholding as on 31.03.2023

Shareholding of nominal(In Rs.)	No. of Shareholders	Percentage (%)	Share Amount	% of Total
1-5000	1	0.12	4500	0.0027
5001-10000	242	30.94	1512500	0.9204
10001-20000	149	19.05	2075000	1.2628
20001-30000	43	5.49	1067000	0.6493
30001-40000	41	5.24	1403750	0.8543
40001-50000	56	7.16	2768750	1.6850
50001-100000	125	15.98	11187500	6.8083
100001-9999999999999999	125	15.98	144303000	87.8172
Total	782	100	164322000	100

Share Transfer System

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Big Share Services Private Limited handles both Demat and Physical Shares Transfers. Currently in our Company all shareholdings are in demat format. As on 31st March, 2023, a total of 16432200 Equity shares are in dematerialized form representing 100% of total issued, subscribed and paid - up share capital of the Company. The Equity Shares of the Company are regularly traded on BSE Limited.

Certification of Non-Disqualification of Directors from Company Secretary in Practice

Pursuant to Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **M/s. Hemant Sajjani & Co., Company Secretary in Practice**, has issued a certificate as required under the Listing regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-(Q & Q1)**

Compliance Certificate from the Practicing Company Secretary on Corporate Governance

The Company has obtained a Certificate from **M/s. Hemant Sajjani., Company Secretary in Practice** confirming compliance of conditions of Corporate Governance as stipulated in Schedule V (E) of the SEBI Listing Regulations, 2015. The Certificate is attached as **Annexure-(R & R1)**



MD/CFO Certification

In compliance with Regulation 17(8) read with Schedule II (B) of the SEBI Listing Regulations 2015, a declaration by **Managing Director and CFO** is enclosed as **Annexure-(S)** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments: NIL

Address for Correspondence

Race Eco Chain Limited
R/o. Unit 203 Plaza P-3 Central Square Bara
Hindu Rao New Delhi-110006
Email: cs@raceecochain.com,
Website: www.raceecochain.com

Address of Factory

56/33 Site-IV, Industrial Area Sahibabad,
Ghaziabad Uttar Pradesh-201010

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: August 12th, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Chairman**

Annexure (P)

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: 29th May, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Chairman**

Annexure (Q)

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,
Race Eco Chain Limited
Unit No.203, Plaza- P 3,
Central Square, Bara
Hindu Rao, Delhi-110006

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Race Eco Chain Limited** having Registered Office: Unit No.203, Plaza P-3 Central square, Bara Hindu Rao New Delhi-110006 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, our responsibility is to express an opinion on these based on our 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 HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries

Place: KANPUR
Date: 15/07/2023

Sd/-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020
UDIN – F007348E000617562

Note-This certificate is to be read with our letter of even date which is annexed as Annexure No.:-Q1

Annexure (Q1)

**To,
The Members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006**

My certificate of even date is to be read along with this letter, while reviewing the requirement of corporate governance we have found and noted the following;

During the process of our checking we found that Ms. Nisha Jain, Independent director of the company has not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank or within one year pursuant to MCA's notification dated 10.06.2022, Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022.

However as confirmed by the management of the Company due to other preoccupation Ms. Nisha Jain was resigned from the post of independent director on 09th June 2023 and Ms. Seema Malik was appointed as Non-Executive Independent Director on 30th June 2023.

**FOR HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries**

**Place: KANPUR
Date: 15/07/2023**

**Sd/-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020**

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

**To,
The Members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006**

We have examined the compliance of conditions of Corporate Governance by RACE ECO CHAIN LIMITED for the year ended 31st March 2023, as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ("Listing Regulations").

The Compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

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

**FOR HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries**

**Place: KANPUR
Date: 15/07/2023**

**Sd/-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020
UDIN – F007348E000617562**

Note-This certificate is to be read with our letter of even date which is annexed as Annexure No.:-R1

Annexure (R1)

**To,
The Members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006**

My certificate of even date is to be read along with this letter, while reviewing the requirement of corporate governance we have found and noted the following;

During the process of our checking we found that Ms. Nisha Jain, Independent director of the company has not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank or within one year pursuant to MCA's notification dated 10.06.2022, Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022.

However as confirmed by the management of the Company due to other preoccupation Ms. Nisha Jain was resigned from the post of independent director on 09th June 2023 and Ms. Seema Malik was appointed as Non-Executive Independent Director on 30th June 2023.

**FOR HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries**

**Place: KANPUR
Date: 15/07/2023**

**Sd/-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020
UDIN – F007348E000617562**

CERTIFICATE OF MD/CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

=====

This is to certify that:-

- (a). We have reviewed financial statements and the cash flow statement for the year 2022-23 and that to the best of our knowledge and belief:-
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b). There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the Audit committee:-
- significant changes, if any, in internal control over financial reporting during the year;
 - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: May 29th, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Managing Director**

**Sd/-
Anshu Agarwal
CFO**

Annexure-3

PARTICULARS OF EMPLOYEES

Information relating to remuneration of Directors / Key Managerial Personnel as required Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows: -

The company has 3 Executive Director, remuneration paid under ceiling limit of Companies Act, 2013. Further, no sitting fee has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:-

Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2022-2023	Remuneration of Director/KMP for financial year 2020-2021	Ratio of remuneration of each Director /to median remuneration of employees
Sunil Kumar Malik Managing Director	1400000	900000	NIL
Rama Nand Gupta	525000	--	NIL
Anshu Agarwal Chief Financial Officer	936000	941000	NIL
Shiwati Company Secretary	470000	365000	NIL

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

Total number of employees of the Company as on **March 31, 2023** was 56

**By Order of the Board of Director
Race Eco Chain Limited**

**Date: August 12th, 2023
Place: New-Delhi**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar East Delhi-
110051**

GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

Flat No.106, 4832/24, Ansari Road,
Daryaganj, New Delhi-110002
Phone: 011-23283955



INDEPENDENT AUDITOR'S REPORT

To the members of RACE ECO CHAIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **RACE ECO CHAIN LIMITED**, which comprise the balance sheet as at **31st March 2023**, and the statement of Profit & Loss, and statement of cash flows for the year ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial Statements give the information required by the Act in the manner of so required and give a true and fair view in conformity with the accounting principles accepted in India, of the state of affairs of the company as at March 31st, 2023, and its Profit and cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

Key audit matter are those matter that, in our professional judgment, were of most signification in our audit of the financial statements of the current period. These matters were addressed in the context of our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the matter was addressed in our audit
<p>1. Accuracy and completeness of disclosure of related party transactions and compliance with the provision of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI (LODR) 2015”) (as described in Note 34 of the Ind AS financial Statements)</p> <p>We identified the accuracy and completeness of disclosure of related party transactions set out in respective notes to the Ind AS financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> ➤ The significance of transactions with related parties during the year ended March 31, 2023. ➤ Related party transactions are subject to the compliance requirement under the companies Act, 2013 and SEBI (LODR) 2015. 	<p>Our audit procedures in relation to the disclosure of related party transactions included the following:</p> <ul style="list-style-type: none"> ➤ We obtained an understanding of the Company’s policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the Ind AS financial statement. ➤ We obtained an understanding of the Company’s policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. ➤ We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arm-length by management, on a sample basis, as part of our evaluation of the disclosure. ➤ We assessed management evaluation of compliance with provision of section-177 and Section-188 of the Companies Act, 2013 and SEBI (LODR), 2015. ➤ We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Other Information – Other than the Standalone Financial Statements and Auditors Report Thereon

The Company’s Board of Directors is responsible for other information. The other Information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Chairman’s Statement, Shareholder’s Information and Corporate Governance Report, but does not include the standalone financial statements and our auditor’s report thereon. The Board’s Report including Annexures to Board’s Report, Chairman’s Statement and Shareholder’s Information is expected to be made available to us after the date of this auditor’s report.

Our Opinion on the Standalone financial statements does not cover the other Information and we 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 in 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.

Management’s Responsibility for Financial Statements

The Company’s Board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of the these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application 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.

In preparing the financial statements and management is responsible for assessing the Company’s ability to continue as a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 any

involve collusion, forgery, Intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 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 auditors reports. 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 financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence , and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable , related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 reasonable be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by The Companies (Auditors Report) order 2020, the order issued by Central government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure-A", a statement the matters specified in paragraph 3 and 4 of the said Order.
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 appears from our examination of those books.
 - c) The company does not have any branch which has not been audited by us.
 - d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f) In our opinion, there is no financial transaction, which would have adverse effect on the financing of the company.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the Section 197(16) of the Act, as amended:

In our opinion and according to the information & explanation given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
 - h) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - i) With respect to the adequacy of the internal financial controls over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in 'Annexure-B' to this report; and,

- j) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us :
- I. The Company has pending litigation with Income Tax Authorities and the possible impact of which has been disclosed in financial statements.
 - II. The company does not have any long-term contracts including derivative contracts which require provision under any law or accounting Standard for material foreseeable losses.
 - III. There was no amount which was required to be transferred to the Investor Education and Protection Fund.
 - IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.
 - V. The company has not proposed or decelerated or paid any dividend during the year.
 - VI. Proviso to Rule 3(1) of the companies (Accounts) Rule 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facilities is applicable to the company with effect from April 1, 2023 & accordingly, reporting under Rule 11(g) of companies (Audit & Auditor's) Rule 2014 is not applicable for the financial year ended 31st March 2023.

FOR M/s GARG ARUN AND ASSOCIATES
Chartered Accountants
FRN: 08180N

Place:- Delhi
Date:- 29th May, 2023

Sd/-

CA RAMAN KUMAR GARG
(PARTNER)
M. NO. 090564
UDIN:23090564BGYSVN8135

Annexure-A to the Independent Auditor's Report of Even Date on the Financial Statements of RACE ECO CHAIN LIMITED

A statement as required on the matter specified in the paragraph 3 & 4 of The Companies (Auditors Report) Order 2020, the order issued by Central government of India in terms of sub section (11) of section 143 of the Act,

- (i)** In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a)** (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b)** All the assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company & the nature of its assets. According to the information and explanation given to us, no discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)**
- (a) The inventory of the company has been physically verified by the management. No material discrepancies were noticed physical verification.
 - (b) The company has not been sanctioned working capital limits in excess of Rupees 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii)** The Company has made investment in, companies, firm, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
- (a) The company has provided loan during the year but not stood guarantee or provided securities to any other entity, in this regards we report as under:
 - (A) The Company does not have any subsidiary, Joint venture or associate, as such reporting under this clause is not applicable.
 - (B) The Aggregate amount of loan advanced during the year was Rs. Nil /- and the balance outstanding at the year end was Rs. 342.75 lacs.

- (b) In our option, the investment made and the terms and condition of grant of loans during the year are, prima facie, not prejudicial to the company's interest.
 - (c) In respect of loans granted by the Company, the loans granted are in the nature of demand loan and the repayments of principal amounts and receipts of interest are generally been regular as demanded by the company.
 - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (f) The Company has granted loan which are repayable on demand or without specifying any terms or period of repayment during the year, the aggregate amount of loan was Rs. 342.75 lacs, which is the 100% of the total loans granted and are granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- (iv) According to the Information & explanation given to us and based on the audit procedure conducted by us, we are of the opinion that company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans.
- (v) The company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the company.
- (vi) The Central Government has not prescribed the maintenance of cost records u/s 148 of the Act, in respect of business activities carried out by the company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) **(a)** The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees State Insurance, Income Tax, Sales-Tax, Goods and Service Tax, duty of customs, Duty of Excise, Value Added Tax, Cess & any other statutory dues applicable to it & there are no undisputed dues outstanding as on **31.03.2023** for a period of more than six months from the date they became payable.
- (b)** According to the information & explanations given to us and based on the audit procedure conducted by us, we are of the opinion that there were no statutory dues referred to in sub clause (a) above which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- (ix) **(a)** The Company has taken loans from its related parties and there is no default in repayment of loan or in the payment of interest thereon.
- (b)** The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c)** The Company has not taken any term loan during the year and there are no outstanding term

- loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the 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.
 - (f) The Company does not have any subsidiary, associates or joint ventures as such the reporting under clause 3 (ix) (e) (f) of the order is not applicable.
 - (a) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not Applicable.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (x) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) In our opinion and as per the information and explanation provided to us, the company has not received any whistle blower complaint during the year.
- (xi) The company is not a Nidhi Company; hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information & explanation given to us, the company is in compliance with section 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards and section 177 is not applicable to the company.
- (xiii) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xiv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192

of the Companies Act, 2013 are not applicable to the Company.

(xv) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvi) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

There has been no resignation of the statutory auditors of the Company during the year.

(xviii) 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 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.

(xix) In our opinion the provision of section 135 of the Companies Act, 2013 relating to corporate social responsibility are not applicable as such the reporting under clause 3 (xx) of the order is not applicable.

GARG ARUN AND ASSOCIATES
Chartered Accountants
FRN: 08180N

Place:- Delhi
Date:- 29th May, 2023
UDIN:23090564BGYSVN8135

Sd/-

CA RAMAN KUMAR GARG
(PARTNER)
M. NO. 090564

Annexure-B

To the Independent Auditor's Report of Even Date on the Financial Statements of RACE ECO CHAIN LIMITED

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")

To The Members of **RACE ECO CHAIN LIMITED**

We have audited the internal financial controls over financial reporting of **RACE ECO CHAIN LIMITED** as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls.

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and

evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

“The company has used an accounting software for maintaining its books of account however management is unable to rely on automated controls related to financial reporting in the accounting software and consequently we are unable to comment on audit trail requirements of the said software as envisaged under Rule 11(g).”

However, it should be noted that mere non-availability of audit trail does not necessarily imply failure or material weakness in the operating effectiveness of internal financial controls over financial reporting.

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

GARG ARUN AND ASSOCIATES
Chartered Accountants
FRN: 08180N

Place:- Delhi
Date:- 29th May, 2023

Sd/-

CA RAMAN KUMAR GARG
(PARTNER)
M. NO. 090564
DIN:23090564BGYSVN8135



Audited Financial Statements

Balance Sheet as at 31st March 2023

UNIT NO. 203, PLAZA-P-3, CENTRAL SQUARE BARA HINDU RAO, DELHI-110006

CIN NO. L37100DL1999PLC102506

(Rs. In Lacs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2(a)	286.73	257.07
(b) Capital work-in-progress		-	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets	2(b)	3.82	6.95
(f) Intangible assets under development		-	-
(g) Biological Assets other than Bearer Plants		-	-
(h) Financial assets			
(i) Investments	3(a)	0.10	0.10
(ii) Trade Receivables		-	-
(iii) Loans and Advances		-	-
(iv) Other financial assets	4(a)	11.90	65.72
(i) Deferred tax assets (net)	5	24.99	19.78
(j) Other non-current assets	6 (a)	-	-
Sub-total - Non-Current Assets		327.54	349.62
Current assets			
(a) Inventories	7	61.52	29.37
(b) Financial assets			
(i) Investments	3(b)		
(ii) Trade receivables	8	3,664.81	1,721.36
(iii) Cash and cash equivalents	9	309.74	109.62

(iv) Bank Balance Other than Cash and cash equivalents			
(v) Loans and Advances	10	342.75	1,037.57
(vi) Other financial assets	4(b)	17.47	4.76
(c) Current Tax assets (net)	11	58.30	30.61
(d) Other current assets	6(b)	135.87	83.55
Sub-total - Current Assets		4,590.45	3,016.84
TOTAL - ASSETS		4,917.99	3,366.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,643.22	1,643.22
(b) Other equity	13	413.76	283.44
Sub-total - Shareholders' funds		2,056.98	1,926.66
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Long Term Borrowings	14(a)	19.71	-
(ii) Lease Liabilities	15(a)	-	18.86
(iii) Trade Payables	16(a)	-	-
(iv) Other financial liabilities other than (i) and (ii) above		-	-
(b) Provisions	17(a)	15.37	10.00
(c) Deferred tax liabilities (net)		-	-
(d) Other non-current liabilities		-	-
Sub-total - Non-current liabilities		35.08	28.86
Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	14(b)	1,531.26	486.57

(ii) Lease Liabilities	15(b)	-	3.77
(iii) Trade Payables: -		-	-
(A) Total Outstanding dues of Micro and Small Enterprises; and	16(b)	443.23	105.69
(B) Total Outstanding dues other than Micro and Small Enterprises	16(b)	728.56	645.12
(iii) Other financial liabilities other than (i) and (ii) above		-	-
(b) Other current liabilities	18	51.19	150.67
(c) Provisions	17(b)	71.68	19.12
(d) Other tax liabilities (net)		-	-
Sub-total - Current liabilities		2,825.93	1,410.94
TOTAL - EQUITY AND LIABILITIES		4,917.99	3,366.46
Significant Accounting Policies	1		
Notes to accounts forming Part of Financial Statements	2-56		

**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N**

FOR RACE ECO CHAIN LIMITED

**Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564**

**Sd/-
RAMA NAND GUPTA
EXECUTIVE DIRECTOR
DIN 03397154**

**Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453**

**PLACE: DELHI
DATED: 29th May 2023
UDIN: 23090564BGYSVN8135**

**Sd/-
ANSHU AGARWAL
CFO**

**Sd/-
SHIWATI
COMPANY SECRETARY**

Statement of Profit and Loss Account for the Year ended on 31st March, 2023

UNIT NO. 203, PLAZA-P-3, CENTRAL SQUARE BARA HINDU RAO, DELHI-110006

CIN NO. L37100DL1999PLC102506

(Rs. In Lacs, except EPS)

Particulars	Note No.	April 2022 - March 2023	April 2021- March 2022
1. Total Income [sum of (a) to (b)]		26,993.17	15,883.69
(a) Revenue from Operations	19	26,908.49	15,721.26
(b) Other Income	20	84.68	162.43
2. Total Expenses [sum of (a) to (f)]		26,814.31	15,777.59
Cost of Materials Consumed			
a) Purchase of Stock-in-Trade	21	25,988.69	14,833.15
b) Cost of Raw Materials Consumed	22	103.44	414.32
c) Changes In Inventories of Finished Goods, Work-in-progress and Stock in Trade.	23	-10.82	-
d) Other Manufacturing expense	24	183.29	107.20
e) Employee benefits expense	25	248.33	172.23
f) Finance Costs	26	70.29	41.66
g) Depreciation and amortisation expense	2	44.34	32.98
h) other expenses	27	186.75	176.06
3. Profit from ordinary activities before exceptional items (1-2)		178.86	106.10
4. Exceptional Items - net credit / (charge)		-	-
5. Profit from Ordinary Activities Before Tax (3-4)		178.86	106.10
6. Tax expense			
a. Current Tax	35(a)	53.53	18.57
b. (Excess)/provision for tax related to earlier years			-
c. Deferred Tax	35(d)	-5.15	-4.20
7. Net Profit from Continuing Operations [5-(6a.+6b.+6c.)]		130.48	91.72
8. Profit / (Loss) from Discontinued Operations (after tax)		-	-
9. Net Profit for the period (7+8)		130.48	91.72
10. Other Comprehensive Income			

(a) (i) Items that will not be re-classified to Profit or Loss			
- Components of defined benefit costs	35(b)	-0.22	20.39
(ii) Income Tax relating to those items	35(d)	0.06	-3.05
(b) (i) Items that will be re-classified to Profit or Loss			
- Net Gain on Fair Value of Current Investments			
(ii) Income Tax relating to those items			
Total Other Comprehensive Income (a+b)		-0.16	23.44
11. Total Comprehensive Income/Loss for the period (net of tax) (9+10)		130	115.17
12. Paid up Equity Share Capital (face value Re. 10 per share)		1,643	1,643
13. Earnings Per Share (EPS) (of Re. 10/- each) (not annualised):			
(a) Basic EPS - Rs.		0.79	0.56
(b) Diluted EPS - Rs.		0.79	0.56
See accompanying notes to financial statements			

**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N**

FOR RACE ECO CHAIN LIMITED

**Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564**

**Sd/-
RAMA NAND GUPTA
EXECUTIVE DIRECTOR
DIN 03397154**

**Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453**

**PLACE: DELHI
DATED: 29th May 2023
UDIN: 23090564BGYSVN8135**

**Sd/-
ANSHU AGARWAL
CFO**

**Sd/-
SHIWATI
COMPANY SECRETARY**

CASH FLOW STATEMENT AS ON 31/03/2023
UNIT NO. 203, PLAZA-P-3, CENTRAL SQUARE BARA HINDU RAO, DELHI-110006
CIN NO. L37100DL1999PLC102506

(Rs. In Lacs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		178.86		106.10
<u>Adjustments for:</u>		119.16		-41.77
Depreciation and amortisation	44.34		32.98	
Deferred Tax				
(Profit) / loss on sale / write off of assets	-0.12		-48.62	
Finance costs	70.29		41.66	
Interest income	0.47		-62.30	
Profit on Investment	-		-2.42	
Provision for Tax	-1.20			
Provision for Gratuity	5.38		0.83	
	-			
Rental Income	-		-3.90	
Operating profit / (loss) before working capital changes		298.01		64.32
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Trade receivables	-1,943.45	-2,055.61	-264.32	215.65
Current Tax Assets	-27.69			
Other current assets	-52.32		65.65	
Inventories	-32.15		414.32	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	420.98	298.86	223.80	265.32
Other current liabilities	-99.48		41.52	

Lease Liabilities	-22.64			
Short-term provisions				
Long-term provisions				
		-1,458.74		545.29
Cash flow from extraordinary items				
Cash generated from operations		-1,458.74		545.29
Net income tax (paid) / refunds		-		58.80
Net cash flow from / (used in) operating activities (A)		-1,458.74		486.49
B. Cash flow from investing activities				
Capital expenditure on property, plant & equipment, including capital advances		664.72	-	-575.69
Proceeds from sale of property, plant & equipment	1.25		250.00	
Purchase of Property, Plant & Equipment	-72.00		-375.00	
Addition in Intangible Assets	-		-5.81	
Purchase of other investments	-		-203.88	
Sale of Investments	-		206.21	
Other financial assets	53.83		194.36	
Other non-current assets	-		-	
Rental Income	-		3.90	
Interest received	-0.47		62.30	
Net gain / (loss) on sale of investments	-		-	
Changes in Loans & Advances	694.82			
Other Financial Assets	-12.70		-707.78	
Cash flow from extraordinary items				
Net cash flow from / (used in) investing activities (B)		664.72		-575.69
C. Cash flow from financing activities				
Proceeds from issue of equity shares		994.13	-	-199.06
Proceeds from long-term borrowings	19.71		-4.78	

Repayment of other short-term borrowings	1,044.70		-175.26	
Lease Liabilities assumed	-		22.64	
Finance cost	-70.29		-41.66	
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		994.13		-199.06
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		200.11		-288.26
Cash and cash equivalents at the beginning of the year		109.62		412.99
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		309.74		123.73
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Closing Cash and cash equivalents as per Balance Sheet				
(a) Cash on hand		9.60		17.24
(b) Balances with banks				
(i) In current accounts		300.14		20.42
(ii) In EEFC accounts				-
(iii) In Fixed deposit accounts		-		71.96
(c) Interest accrued on deposits				-
(d) Current investments considered as part of cash & cash equivalents				-
		309.74		109.62
See accompanying notes forming part of the financial statements				



**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN: 08180N

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564

Sd/-
RAMA NAND GUPTA
EXECUTIVE DIRECTOR
DIN 03397154

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

PLACE: DELHI
DATED: 29th May 2023
UDIN: 23090564BGYSVN8135

Sd/-
ANSHU AGARWAL
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

Standalone statement of changes in equity for the year ended March 31, 2023

UNIT NO. 203, PLAZA-P-3, CENTRAL SQUARE BARA HINDU RAO, DELHI-110006

CIN NO. L37100DL1999PLC102506

A. Equity share capital						(Rs. in Lakh)
As at April 1, 2021						1,643.22
Changes in equity share capital during the year						-
As at March 31, 2022						1,643.22
Changes in equity share capital during the year						-
As at March 31, 2023						1,643.22
B. Other equity						(Rs. in Lakh)
Particulars	Reserves and surplus					Total
	Capital redemption reserve	Capital reserve	Securities premium	General reserve	Retained Earnings	
Balance as at April 1, 2021	-	-	-	-	168.27	168.27
Profit for the year	-	-	-	-	91.72	91.72
Other comprehensive income for the year	-	-	-	-	23.44	23.44
Total comprehensive income for the year	-	-	-	-	115.17	115.17
Dividend paid	-	-	-	-	-	-
Other	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	-	-	283.44	283.44
Profit for the year	-	-	-	-	130.48	130.48
Other comprehensive income for the year	-	-	-	-	(0.16)	(0.16)
Total comprehensive income for the year	-	-	-	-	130.32	130.32
Dividend paid	-	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	-	413.76	413.76



**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N**

FOR RACE ECO CHAIN LIMITED

**Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564**

**Sd/-
RAMA NAND GUPTA
EXECUTIVE DIRECTOR
DIN 03397154**

**Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453**

**PLACE: DELHI
DATED: 29th May 2023
UDIN: 23090564BGYSVN8135**

**Sd/-
ANSHU AGARWAL
CFO**

**Sd/-
SHIWATI
COMPANY SECRETARY**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31st MARCH, 2023

Notes 1:

Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Corporate Information

RACE ECO CHAIN LIMITED ('the Company'), was incorporated on November 22, 1999 as a Company under the Companies Act, 1956 ('the Act'). The Company has registered office at. UNIT NO.203, PLAZA- P 3, CENTRAL SQUARE BARA HINDU RAO, DELHI -110006 India. The Company is listed on the BSE Limited and National Stock Exchange of India Limited (Recognised Stock Exchanges in India).

The Company is engaged in the business of

1.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The financial statements up to and including the year ended 31 March 2021 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) under the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and other generally accepted accounting principles in India (collectively referred to as "Indian GAAP" or "Previous GAAP") These financial statements for the year ended 31 March 2022 are the first financial statements of the Company underlined AS. Refer note 26 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Amount in the Financial Statements are presented in Rs. Lakhs, unless otherwise Stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

The financial statements have been prepared on historical cost basis, except for the certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments). All assets and liabilities have been classified as current and non-current according to company's operating cycle other criteria.

(ii) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods.

(iii) Revenue Recognition

Revenue other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e., an Asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognises as revenue the amount of the service rendered (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

Fixed Price maintenance revenue is recognised relatively on a straight-line basis when services are performed through or indefinite number of repetitive acts over a specified period.

(iv) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), 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.

(v) Other Income

Other Income have been recognized on accrual basis in the Financial Statements, except when there is uncertainty of collection.

1.2 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

1.3 Deferred Tax

Deferred 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. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred 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 tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

1.4 Financial Instruments

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

(i) Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent Measurement:

Debt instruments at amortized cost

- 'Financial Asset' is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(c) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

(d) De-recognition

The company derecognizes a financial asset when the contractual right to the cash flow from the financial asset end or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

(e) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(ii) Financial liabilities

(a) Initial recognition and measurement

All Financial liabilities are recognized initially at fair value and fees of recurring nature are directly recognized in profit or loss as finance cost. The company's financial liabilities include trade and other payables.

(b) Subsequent Measurement:

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

(c) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired or it transfers the financial liability and the transfer qualifies for de-recognition under Ind AS 109.

1.5 Tangible Property, Plant & Equipment (PPE):

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

(i) Recognition:

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

It is probable that future economic benefits associated with the item will flow to the entity; and

The cost of the item can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

(ii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

The Residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

Estimated useful lives of items of Property, Plant and Equipment are as follows: -

Assets	Useful life
Furniture and Fixtures	10 years
Computers	3 years
Vehicles	8 years
Building	60 years
Motor Bike	10 years
Office Equipment	5 years
Electrical Equipment	10 years
Plant & Machinery	15 years
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less

The estimated useful lives and residual values of the Property Plant and Equipment are reviewed at the end of each financial year.

Property Plant and Equipment, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

Depreciation on the Property Plant and Equipment added/disposed off/discarded during the year is provided from/up to the date when added/disposed off/discarded.

Gains or losses arising from the retirement or disposal of Property Plant and Equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

1.6 Intangible Assets

(i) Measurement at recognition:

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development. The Company amortizes intangible assets on a straight-line basis over the five years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortization from the day the asset is put to use.

Assets	Useful life
Software & Mobile Application	5 years

(ii) Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

1.7 Employee benefits

(i) Short-term obligations

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment obligations

Post-employment benefit plans are classified into defined benefit plans and defined contribution plans as under: -

(iii) Defined contribution plan:

Contribution made to the recognised provident fund, employees state insurance scheme etc. which are defined contribution plans, is charged to the Statement of Profit and Loss in the period in which they occur.

(iv) Defined benefits plan:

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on separation/retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

1.8 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cashflows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

1.9 Provisions and contingencies:

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

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed except when realization of income is virtually certain and the related asset is recognized.

1.10. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

1.11 Inventories

Raw Material & Traded Goods are valued at lower of cost and net realizable value. However, material & other items held for use in the trading are not written down below cost of the finished products in which they will be incorporated if they are expected to be sold at or above cost.

WIP & finished goods are valued at lower of cost & net realizable value.

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

1.12 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Cash and cash equivalents

Cash amounts represent cash on hand and demand deposits. Cash equivalents are primarily short-term highly liquid investments with an original maturity of 90 days or less and which are subject to an insignificant risk of change in value.

AS PER COMPANIES ACT, 2013

NOTE-02 (a) PROPERTY, PLANT & EQUIPEMENT

Particulars	Rate	Gross Block			Accumulated Depreciation			Net Block			
		Balance as on 01/04/2022	Additions	Deductions/ Adjustments	Balance as at 31/03/2023	Upto 31/03/2022	Additions	Deductions/ Adjustments	Balance as at 31/03/2023	W.D.V. as on 31.03.2023	W.D.V. as on 31.03.2022
PLANT & MACHINERY											
PLANT & MACHINERY	14.88%	39.05	15.79		54.84	21.83	3.02		24.85	29.99	17.22
VEHICLES											
Car Fortuner	31.23%	27.09			27.09	27.09			27.09	(0.00)	(0.00)
Activa Scooter	31.38%	0.88			0.88	0.34	0.21		0.55	0.33	0.55
Grand Vitara Car		-	23.34		23.34	-	1.40		1.40	21.94	-
Maruti Eco			6.46		6.46		1.75		1.75	4.72	
FACTORY LAND & BUILDING											
FACTORY LAND-56/33	9.50%	4.57			4.57	-	0.43		0.43	4.14	4.57
FACTORY LAND- A16/2		-			-	-					-
FACTORY BUILDING-56/33	9.50%	192.43			192.43	22.15	16.18	-	38.33	154.10	170.28
FACTORY BUILDING- A-16/2	9.50%	39.28			39.28	39.28		-	39.28	0.00	0.00
Elevator	45.07%	11.15			11.15	10.64		-	10.64	0.50	0.50
Electricity Service Line	9.50%	2.66			2.66	0.04	0.73	-	0.78	1.88	2.62

GENERATOR	45.07%	19.64			19.64	14.20	1.26		15.46	4.18	5.44
COMPUTER	63.16%	21.09	1.17		22.26	16.27	3.06	-	19.32	2.94	4.82
FURNITURE & FIXTURES	76.83%	24.15	5.86	1.25	28.76	15.02	3.25	0.12	18.15	10.60	9.13
Office Equipments	45.07%	28.54	17.85		46.39	14.91	8.09	-	23.00	23.39	13.63
Right to Use		29.94			29.94	1.63	1.76		3.39	26.54	28.31
Electric Equipment		-	1.53		1.53	-	0.06		0.06	1.47	-
TOTAL		440.48	72.00	1.25	511.23	183.40	41.21	-	224.49	286.73	257.07
		-				-					
Capital Work In Progress		-	-			-	-	-	-	-	-
NOTE-02 (b) OTHER INTANGIBLE ASSETS		-				-					
INTANGIBLE ASSETS		-				-					
SOFTWARE AND MOBILE APPLICATIONS		9.51	-	-	9.51	2.56	3.13	-	5.69	3.82	6.95
								Net Block		290.55	264.02
								Depreciation for year		44.34	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED on 31ST March, 2023

Note-3 (a) Non- Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2023	31-03-2022		31-03-2023	31-03-2022
		Number	Number		in Lacs	in Lacs
(I) Investment at Amortised cost						
Enviro Ecoplast Private Limited	Others	1,000	1,000	Unquoted	10,000.00	10,000.00
Total		1,000	1,000		10,000.00	10,000.00
Location wise breakup of Investments						
Investment in India		1,000	1,000		10,000.00	10,000.00
Investment Outside India		-	-		-	-
Total		1,000	1,000		10,000.00	10,000.00
Less: Allowance for impairment loss		-	-		-	-
Total (net)		1,000	1,000		10,000.00	10,000.00

Note-3 (b) Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2023	31-03-2022		31-03-2023	31-03-2022
		Number	Number		in Lacs	in Lacs
NIL						

Note 4
Other Financial Assets

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a) Non-Current		
Deposits with Banks		
FDR pledged with Bank as margin for Bank Guarantee/OD*	1.08	61.74
At Amortised Cost		
Unsecured, Considered Good		
Deposits		
Advance Against Security	10.82	3.99
Total (A)	11.90	65.72
(b) Current		
At Amortised Cost		
Unsecured, Considered Good		
Deposits	-	-
(a) Security Deposit		
Security Deposit for Rent **	17.47	2.07
Others	-	
Accrued Interest on FDR	-	2.70
Total (B)	17.47	4.76
Total (A+B)	29.36	70.49

* The Fixed deposit as other non-current financial assets includes deposit with remaining maturity above 12 months.

** Security Deposits for Rent given are measured at Amortised cost

Note 5
Deferred Tax Assets (Net)

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	19.78	12.54
Add: Current Year Deferred Tax Asset / (Liability) [Refer Note 41]	5.21	7.24
Net Deferred Tax Assets / (Liabilities)	24.99	19.78

Note 6
Other Non Financial Assets

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Current		
Unsecured, Considered Good		
Advance		
GST Input	-	25.11
Advance to Suppliers	38.54	27.95
Advance to employees	3.33	1.66
Prepaid Expenses	1.63	0.04
RCM Receivable	-	7.22
Other Current Assets	-	11.05
Claim Recoverable	0.97	10.52
Duties & Taxes	91.39	
Total (b)	135.87	83.55
TOTAL [(a)+(b)]	135.87	83.55

Note 7
Inventories

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Inventories:		
a) Raw		
Fabric	21.88	14.51
Total	21.88	14.51
b) Work In		
Progress Sub	-	
Total	-	-
c) Finished		
Bags	14.32	
Puma Products	14.53	14.86
Total	28.85	14.86
d) Stock-in-Trade		
Waste Scrap	10.80	
Total	10.80	-
Total Inventories	61.52	29.37

Note 8
Trade Receivables

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables- From Related Parties	0.21	70.88
Trade Receivables-From Others	3,664.60	1,650.48
TOTAL	3,664.81	1,721.36
Less : Impairment allowance		
Total Trade Receivables (net of Impairment)	3,664.81	1,721.36

Ageing Schedule - Trade receivable

(Rs.In lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Undisputed - Considered Good		
- Less than 6 Months	3,544.37	1,390.59
- 6 Months- 1 year	38.04	247.39
- 1-2 years	73.63	79.81
- 2-3 Years	8.77	3.58
- More than 3 Years	-	-
Undisputed Trade Receivables-which have significant increase in credit risk	-	-
Undisputed Trade Receivables-Credit impaired	-	-
Disputed - Considered good	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-
Disputed Trade Receivables-Credit impaired	-	-
Total	3,664.81	1,721.36

Note 9**Cash & Cash Equivalents**

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	9.60	17.24
Balance with Banks in Current Accounts ^	300.14	20.42
Balance with Banks in fixed deposits	-	71.96
	309.74	109.62

The Fixed deposit with Banks as cash & cash equivalent are the deposit with original maturity upto 3 months.

Note10
Short Term Loans and Advances

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Short - Term Loans and Advances:		
At Amortised Cost		
Unsecured , Considered Good		
Inter Corporate Loan	342.75	1037.57
	342.75	1037.57

Note 11
Current Tax Assets (net)

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax/TDS/TCS (net of provision)		
TDS Receivables	58.30	30.61
TOTAL	58.30	30.61

Note 12
Equity Share Capital

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Authorised Share Capital		
2,50,00,000 Shares (Previous year 2,50,00,000) of Rs. 10 each	2500.00	2500.00
	2500.00	2500.00
Issued, Subscribed & Paid-up Share Capital		
1,64,32,200 Shares (Previous year 16432200.) of Rs. 10 each	1643.22	1643.22
TOTAL	1643.22	1643.22

Terms/Rights attached to Equity Shares

The Company has only one class of equity shares each having a par value of Rs. 10 per share. All these shares have same rights & preferences with respect to payment of dividend, repayment of capital and voting.

Reconciliation of number of equity share outstanding at the beginning and at the end of the period

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Number of shares outstanding as at the beginning of the period		
Add : Shares allotted	164.32	164.32
Number of shares outstanding as at the end of the period	164.32	164.32

Share held in the company by each Shareholder Holding More than 5%

Name of Shareholders	As at 31st March, 2023		As at 31st March, 2022	
A) Sangeeta Pareekh	43.20	26.29%	43.20	26.29%
B) BLP Equity Research Private Ltd	23.40	14.24%	23.40	14.24%
C) Puja Malik	9.85	5.99%	9.85	5.99%

Shares held by the promoters at the end of the year

Name of Shareholders	As at 31st March, 2023			As at 31st March, 2022		
	No.of Share	% of holdin g	% changi ng During the year	No.of Share	% of holdin g	% changing During the year
A) Sangeeta Pareekh	43.20	26.29 %	0.00%	43.20	26.29%	0.00%
B) BLP Equity Research Private Ltd	23.40	14.24 %	0.00%	23.40	14.24%	0.00%
C) Dinesh Pareekh	7.00	4.26%	0.00%	7.00	4.26%	0.00%
	73.60	44.79 %	0.00%	73.60	44.79%	0.00%

Note13
Other Equity

(Rs. in Lacs)

PARTICULARS	Reserves and surplus					Total
	Capital redemption reserve	Capital reserve	Securities premium	General reserve	Retained earnings	
Balance as at April 1,2021	-	-	-	-	168.27	168.27
Profit for the year					91.72	91.72
Other comprehensive income for the year					23.44	23.44
Total comprehensive income for the year					115.17	115.17
Dividend paid					-	-
Other					-	-
Balance as at March 31,2022					283.44	283.44
Profit for the year					130.48	130.48
Other comprehensive income for the year					-0.16	-0.16
Total comprehensive income for the year					130.32	130.32
Dividend paid					-	-
Balance as at March 31,2023					413.76	413.76

Nature & Purpose of Reserves:

- Retained Earnings: Retained earnings represents surplus / accumulated earning of the company and are available for distribution to shareholders
- Other Comprehensive Income: This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. and present value of Defined benefit obligation.

Note 14 Borrowings

(Rs. in Lacs)

	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a)	Long Term Borrowings		
	<u>Carried at Amortized Cost</u>	-	-
	Secured Loans		
	Term Loans from Banks/Financial Institution		
	ICICI Bank Ltd		
	(Secured Against Hypothecation of Car)	3.05	-
	HDFC CAR LOAN -GRAND VITARA	16.66	
	(Secured Against Hypothecation of Car)		
	Total (I)	19.71	-
(b)	Short Term Borrowings		
	<u>Carried at Amortized Cost</u>	-	-
	Secured Loans		
	ICICI Bank - OD against FD		
	(Secured by Fixed Deposit)	-	54.05
	Current Maturity of Long Term Debts.	7.65	
	Unsecured Loans		
	Related Parties		
	Loan From Director	39.23	2.11
	Intercorporate Loan		
	Swagatam Trading and Services Limited	15.61	66.32
	Anmol Financial Services Ltd	0.36	
	Devbhoomi Commercial PvtLtd.	50.55	
	Share India Fincap Pvt Ltd USL	69.63	
	SVP Housing Limited	310.68	
	Securocrop Securities India Private Limited	702.42	364.09
	BLP Equity Research Pvt. Ltd.	335.14	
	Total (II)	1,531.26	486.57
	Total (I+II)	1,550.98	486.57

The company has not defaulted in the repayment of Borrowings and interest thereon for the year ended of March 31, 2023.

Note 15 Lease Liabilities

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Carried at Amortized Cost		
(a) Non-Current		
-		
Lease Obligation	-	18.86
TOTAL (a)	-	18.86
Carried at Amortized Cost		
(a) Current		
-		
Lease Obligation	-	3.77
TOTAL (b)	-	3.77
TOTAL [(a)+(b)]	-	22.64

Note 16 Trade Payables

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
a) Non Current		
Total outstanding dues of micro, small and medium enterprises (A)		
Total outstanding dues of creditor other than micro, small and medium enterprises (B)		
TOTAL (a)	-	-
b) Current		
Total outstanding dues of micro, small and medium enterprises (A)	443.23	105.69
Total outstanding dues of creditor other than micro, small and medium enterprises (B)	728.56	645.12
	1,171.79	750.81
TOTAL [(a)+(b)]	1,171.79	750.81

Ageing Schedule - Current Trade payable

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
i) MSME		
Less than 1 year	443.23	105.69
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
ii) Others		
Less than 1 year	712.15	591.41
1-2 years	16.30	47.80
2-3 years	-	5.91
More than 3 years	-	-
iii). Disputed dues – MSME	-	-
iv) Disputed dues - Others	-	-
Total	1,171.69	750.81

Note 17
Provisions

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
<u>Non-Current</u>	-	-
Provision for Employee Benefits		
Gratuity	15.37	10.00
TOTAL	15.37	10.00
<u>Current</u>	-	-
Provision for Employee Benefits	-	-
Gratuity	0.78	0.55
Other Provisions	-	-
Provision for Current Tax	70.90	18.57
TOTAL	71.68	19.12

Note 18 Other Current Liabilities

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
	-	
Expenses Payable	26.74	5.61
Advance Received from Customers	10.76	121.94
Bonus Payable	4.01	
Duties & Taxes Payable	7.35	3.75
Interest Occurred But not due to Bank.	0.03	-
Provision for Debit Note	2.30	-
Salary Payable	-	19.37
TOTAL	51.19	150.67

Note 19
Revenue from Operations

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Manufacturing Sale		
Sale of Recycled Products	309.14	1,623.97
Trading Sale		
Sale of Waste Material	23,649.52	13,304.00
Sale of Biomass Products	2,933.74	
Sale of Misc. Old Economy Products	-	774.79
Job work		
Sale of Recycled Products	16.09	
Other Operating Income		
Export Incentive	-	18.50
TOTAL	26,908.49	15,721.26

Note

20	Other Income	(Rs. in Lacs)	
	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
	Rent Receipt	-	3.90
	Profit on sale of investment being securities chargeable to Securities Transaction Tax (STT)	-	2.42
	Interest on ICD HO	54.92	-
	Profit on Sale of Land	-	49.49
	Profit on Sale of Building	-	4.72
	Profit on Insurance Claim of Car	25.67	-
	Profit on Sale of Assets	0.12	
	Interest Income	-0.47	62.30
	Foreign Exchange Fluctuation	1.05	3.94
	Rebate & Discount	0.06	4.42
	Creditors Written Off	1.10	30.99
	Bad Debt Recovered	-	0.09
	Other Income	-	0.15
	Short & Excess	0.04	-
	Duty Draw Back Income	2.04	-
	Freight Outward Charges	0.16	-
	TOTAL	84.68	162.43

Note

21	Purchase of Stock-in-Trade	(Rs. in Lacs)	
	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
	Misc. Old Economy Products	7.39	329.70
	Waste Material	23,187.32	12,959.51
	Biomass Products	2,793.98	
	Recyclable Products		1,543.94
	TOTAL	25,988.69	14,833.15

Note

22	Cost of Raw Material Consumed	(Rs. in Lacs)	
	PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
	Opening Stock of Raw Material		
	Fabric	14.86	443.69
	Add:-		-
	Fabric	124.77	

	139.64	443.69
Less:-	-	
Closing Stock		
Fabric	36.19	29.37
TOTAL	103.44	414.32

Note 23 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Finished Goods		
Finished Goods at the beginning of the year	-	
Less: Finished Goods at the end of the year	-	
Puma Products		
Sub - Total (A)	-	-
Work-in-Progress at the End of the Year		
Less: Work-in-Progress at the End of the Year	-	
Sub - Total (B)	-	-
Stock-in-Trade		
Stock at the Beginning of the Year	14.51	-
Less: Stock at the End of the Year	-	-
Puma Products	25.33	
Sub - Total (C)	-10.82	-
(Increase) / Decrease in Inventories (A+B+C)	- 10.82	-

Note

24 Other Manufacturing Expenses

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Freight & Cartage	132.00	92.41
Job Work Charges	51.30	14.79
Total	183.29	107.20

Note

25 Employee Benefits Expense	(Rs. in Lacs)	
PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Directors Remuneration	28.61	9.00
Salaries & Wages	181.64	147.97
Gratuity	5.38	4.76
Bonus	4.01	4.22
Contribution to Provident Fund	1.46	1.32
Contribution Towards ESI	1.38	1.10
Administration Expenses on PF & ESI	0.11	0.06
Incentive to Staff	19.11	-
Leave Encashment	0.22	-
Staff Welfare Exp.	6.42	3.81
TOTAL	248.33	172.23

Note

26 Finance Cost	(Rs. in Lacs)	
PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Bank Charges	0.73	2.41
Bank Interest	-	17.50
Car Loan Interest	0.35	0.25
Other Interest	69.15	21.51
Loan Processing Charges	0.06	-
TOTAL	70.29	41.66

Note

27 Other Expenses	(Rs. in Lacs)	
PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(B) ADMINISTRATIVE EXPENSES		
Annual Maintenance Charges	0.20	-
Annual Listing Fees	3.29	4.30
Bad Debt	7.90	27.33
BSE Processing Fees	16.42	16.64
Business Promotion Expenses	4.64	3.53
CDSL Charges	0.72	0.45
Certification Charges	0.08	0.20
Clearing & Forwarding Charges	2.13	1.27
Commission	1.42	23.39
Consultancy Charges	0.24	0.06

Conference Charges	0.25	
Conveyance Expenses	10.63	4.92
Cloud Charges	1.02	
Demat/Depository Charges	-	0.00
Electricity & Generator Charges	16.44	11.20
Fabric Expenses	0.08	
Festival Expenses	4.87	2.81
Fuel Expenses	9.85	0.21
GST on Shares	0.01	-
Hotel Expenses	-	0.98
Housekeeping Expenses	0.64	0.16
Insurance Exp.	4.03	2.20
Internet Expense	0.33	0.46
Legal & Professional Charges	0.05	5.54
Licence Fee	-	0.16
Loading & Unloading Charges	-	0.03
Membership Fees	-	0.11
Miscellaneous Exp	1.37	0.08
Municipal Taxes	-	0.32
NSDL Charges	0.55	0.71
Foreign Exchange Fluctuation Exp	0.16	
Office Expenses	2.21	1.51
Other Expenses	0.23	0.69
Loss on Sale of RODTEP E-Scrip	1.20	
Packing Material	8.35	2.70
Penalties & Interest	0.46	0.60
Pollution Control Expense	-	0.15
Postage & Courier exp	2.64	0.80
Printing & Stationery	3.74	1.84
Production Expenses	2.94	1.18
Professional Charges	11.04	36.70
Rates and Taxes	-	0.05
Rebate & Discount	0.08	4.26
Repair and Maintenance	5.49	1.81
Retainership Charges	-	0.60
ROC Fees	0.06	0.08
RTA Charges	-	0.67
Sampling Expenses	3.54	3.69
SEBI Charges on Shares	0.23	0.00
Server Rent	0.49	1.04
Showroom Expenses	0.41	0.53
Software Exp.	0.22	2.14
Stamp Duty on Shares	-	0.01
Statutory Audit	4.00	2.50
STT Expense	-	0.05
Security Expenses	1.13	-
Telephone Expenses	1.20	0.98

Testing Expenses	0.43	0.18
Tour & Travelling Expenses	40.72	2.67
Trademark Expenses	-	0.03
Transaction Charges on Shares	-	0.50
Website Maintenance Charges	0.02	1.05
Setup fee for Event	0.10	-
Learning & Development Exp.	0.18	-
Govt Tax	0.04	-
Overtime Expenses	1.36	-
Rent Exp.	6.90	-
Round off	0.01	-
Total(B)	186.75	176.06

NOTE: 28 Segment Disclosures

Operating segments are defined as components of an enterprise for which discrete financial information so available that is evaluated regularly by Chief Operating decision -maker (CODM), in deciding how to allocate resources and assessing performance.

The Company has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

SEGMENT	ACTIVITIES
Misc. Old Economy Products	Sale of Fabric and Other Textile Products
Recycle Division	All types Waste Plastic, Pipes & Paper
Restore Division	Home furnishing, Make-up, Bags & Garments
Biomass Division	Sale of BRIQUETTES
IT Division	Development of IT enabled applications for business growth
Unallocated	Not allocable to any other segments

(Rs. in Lacs)

Segment Revenue	Year ended March 31, 2023			Year ended March 31, 2022		
	External	Internal Segments	Total	External	Internal Segments	Total
Misc. Old Economy Products	-	-	-	774.79	-	774.79
Recycle Division	23,642.13	-	23,642.13	14,850.67	-	14,850.67
Restore Division	325.23	-	325.23	95.79	-	95.79
Biomass Division	2,941.13	-	2,941.13	-	-	-
IT Division	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
Total	26,908.49	-	26,908.49	15,721.26	-	15,721.26
Eliminations	-	-	-	-	-	-
Revenue from Operations	26,908.49	-	26,908.49	15,721.26	-	15,721.26
Segment Results(PBT)	Year ended March 31, 2023			Year ended March 31, 2022		
Misc. Old Economy Products	-	-	-	-	-	(2.87)
Recycle Division	-	-	89.47	-	-	204.59
Restore Division	-	-	24.74	-	-	(14.19)
Biomass Division	-	-	103.20	-	-	-
IT Division	-	-	-	-	-	(60.32)
Unallocated	-	-	31.74	-	-	20.55
Total	-	-	249.15	-	-	147.76
Eliminations	-	-	-	-	-	-

Consolidated Total	249.15	147.76
Unallocated (expense) net unallocated income		
Profit before Interest and Taxation	249.15	147.76
Finance Costs	70.29	41.66
Profit Before Tax	178.86	106.10
Tax Expense	48.38	14.37
Profit After Tax from Continuing Operations	130.48	91.72
Loss for the period from Discontinued Operations	(0.16)	23.44
Profit for the period after Tax	130.32	115.17

Other Information

(Rs. in Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Segment Assets			
Misc. Old Economy Products	-		548.68
Recycle Division	3,713.50		1,227.39
Restore Division	320.31		26.38
Biomass Division	384.21		-
IT Division			-
Unallocated	499.98		1,564.00
less : Intersegment Eliminations	-		-
	4,917.99		3,366.46
Add:Unallocable Assets	-		-
Total Assets	(A) 4,917.99		3,366.46
Segment Liabilities			
Misc. Old Economy Products			206.49
Recycle Division	1,051.26		439.64
Restore Division	34.56		9.05
Biomass Division	137.17		1.74
IT Division			

Unallocated	1,638.02		789.68
less : Intersegment Eliminations			
Add: Unallocable Liabilities			
Total Liabilities	(B) 2,861.01		1,446.59
Net Capital Employed	(A-B) 2,056.98		1,919.87

(Rs. in Lacs)

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	Capital Exp	Non-Cash Exp other than Dep	Depreciation & Amortization	Capital Exp	Non-Cash Exp other than Dep	Depreciation & Amortization
Misc. Old Economy Products						
Recycle Division			8.40			
Restore Division			33.81			
Biomass Division			2.13			
IT Division						
Unallocated						32.98
Segment Total	-	-	44.34	-	-	32.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 29 Remuneration to auditors (exclusive of taxes)

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Payment To Auditors:		
Statutory Auditor:		
Statutory Audit & Limited Reviews	2.50	2.50
Internal Auditor:		
Internal Audit Fees		
Total	2.50	2.50

Note 30 Earnings per equity share

(Rs. in Lacs, except EPS)

Particulars	As at 31st March 2023	As at 31st March 2022
Net profit attributable to equity shareholders [A]	130.48	91.72
Weighted average number of equity shares issued (face value of Rs. 10 each) (Numbers in Lacs)	164.32	164.32
Total Weighted average number of equity shares [B] (face value of Rs. 10 each) (Numbers in Lacs)	164.32	164.32
Basic earnings per share [A/B] (in Rs.)	0.79	0.56
Net Profit attributable to equity shareholders [C]	130.48	91.72
Less : Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
Net profit attributable to equity shareholders for calculation of diluted EPS [C-D]	130.48	91.72
Weighted average of equity shares issued (face value of Rs 10 each) (Numbers in Lacs) [E]	164.32	164.32
Weighted number of additional equity shares outstanding for diluted EPS (Numbers in Lacs) [F]	-	-
Weighted number of equity shares outstanding for diluted EPS (Numbers in Lacs) [E+F]	164.32	164.32
Diluted earnings per share [C-D/E+F] (in Rs.)	0.79	0.56

Note 31 Foreign currency transactions
(i) Expenditure in foreign currency (On accrual basis)

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Imports of Goods	-	0.29
Total	-	0.29

(ii) Income in foreign currency (On accrual basis)

Particulars	As at 31st March 2023	As at 31st March 2022
Export of Goods	68.87	384.49
Total	68.87	384.49

Note 32 Unhedged foreign currency exposure

a) Payables - Nil

b) Receivables

Particulars	Currency	As at 31st March 2023	As at 31st March 2022
		(Rs. in Lacs)	(Rs. in Lacs)
Good Earth Innovations Textile Trading LLC	USD	-	0.33
PEP a Division of Pepkor Trading Pty Ltd	USD	-	2.55
Richmond Interiors	USD	-	0.26

Note 33 Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

Defined Benefit Plan – Gratuity

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Company to actuarial risks such as: Interest rate risk, Liquidity Risk, Salary Escalation Risk, demographic risk and Regulatory Risk.

Interest Rate Risk	The plan exposes the Company to the risk of falling interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk	This is the risk that the Company may not be able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.

Regulatory Risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000 etc.).
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(i) The following tables set out the funded status of the gratuity benefit Scheme and the amounts recognized in the Company's financial statements:

(Rs. in Lacs)

Particulars	For the period ending	
	March 31, 2023	March 31, 2022
Change in benefit obligations		
Benefit obligations at the beginning	10.55	30.11
Current Service Cost	4.62	2.73
Past Service Cost	-	-
Interest on defined benefit obligation	0.76	2.03
Actuarial loss / (gain)	0.22	-
Benefit Paid	-	3.93
Closing Defined Benefit Obligation (A)	16.15	10.55
Translation/ Forex impact (B)	-	-
Payable gratuity benefit (A-B)	16.15	10.55
Current Provision (Refer note 17)	-	0.55
Non-Current Provision (Refer note 17)	16.15	10.00

(ii) Amount recognised in the Statement of Profit and Loss

Particulars	For the period ending	
	March 31, 2023	March 31, 2022
Current Service Cost	4.62	2.73
Past Service Cost	-	-
Interest on net defined benefit obligations	0.76	2.03

Net Actuarial (Gain) / Loss recognised in the period	-	-
Total Included in "Employee Benefit Expense"	5.38	4.76

**Amount recognised in the Other
(iii) Comprehensive Income**

Particulars	For the period ending	
	March 31, 2023	March 31, 2022
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	-0.52	-0.50
- experience variance (i.e. Actual experience vs assumptions)	0.74	-19.89
Components of defined benefit costs recognised in other comprehensive income	0.22	-20.39

(iv) Principle actuarial assumption

Assumptions	March 31, 2023	March 31, 2022
Discount Rate (per annum)	7.51%	7.20%
Salary escalation (per annum)	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(v) Sensitivity Analysis

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

(Rs. in Lacs)

Particulars	March 31st 2023	March 31st 2022
Defined Benefit Obligation (Base)	16.15	10.55

Particulars	As at March 31, 2023		As at March 31, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	17.92 11.00%	14.62 -9.50%	11.72 11.10%	9.53 -9.60%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	14.57 -9.80%	17.94 11.10%	9.51 9.90%	11.73 11.20%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	15.78 -2.30%	16.31 1.00%	10.29 -2.40%	10.69 1.40%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	16.13 -0.10%	16.16 0.10%	10.54 0.10%	10.55 0.10%

(vi) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	10 years
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Expected cash flows over the next (valued on undiscounted basis):	Rs. in Lacs
1 year	0.78
2 to 5 Years	3.93
6 to 10 Years	7.37
More than 10 Years	28.35

Note 34 Related Party Transactions (as per INDAS 24)

The names of the related parties and nature of the relationship where control exists are disclosed irrespective of whether or not there have been transactions between the related parties during the year. For Others, the names and the nature of relationship is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

(i) Names of related parties and nature of relationship

Category of related parties	Name of Related Parties
Associates	
Promoters & Key Management Personnel	SUNIL KUMAR MALIK
	NISHA JAIN
	ANIL KUMAR BEHL
	RAMA NAND GUPTA
	PRANAV VASAN

Relatives of Directors and Key Management Personnel	DINESH PAREEKH
	SANGEETA PAREEKH
	BLP Equity Research Pvt Ltd
	ANSHU AGARWAL
	SANJAY KUKREJA
	LALIT MALIK
	KUMAR MODANI RAJ
	SHIWATI GANDHI
Entities in which the Key Management Personnel and their relatives identified above having control/significant influence	1) Vista Furnishing Ltd.
	2) Gin Spin Pvt Ltd
	3) J. S. Finlease Pvt Ltd.
	4) U A Marketing Pvt Ltd
	4) Anisha Fincap Consultants (IFSC) Pvt Ltd
	5) Ever Style Services Pvt Ltd
	6) Anisha Exim Pvt Ltd
	7) Anisha Fincap Consultants LLP
	8) Securocrop Securities India Pvt Ltd
	9) BLP Equity Research Pvt Ltd
	10) Gem Enviro Management Pvt Ltd
11) Akashdeep Metals Industries Limited	

(ii) Transactions with Related Parties

The Transactions have been summarized in the below table; and as the company has voluminous transactions during the period, thus, details have been provided in table (iii) for transactions having value more than Rs. 1 Lac only (Material Transactions).

The following transactions were carried out with related parties in the ordinary course of business:

(Rs. in Lacs)

Nature of Transaction	2022-23		2021-22	
	Transaction	Balance	Transaction	Balance
Key Management Personnel	-		-	
Remuneration & Incentives	-		-	
(a) Mr. Sunil Kumar Malik	14.00		9.00	
(b) Mr. Anshu Agarwal	9.36		9.41	
(c) Mr. Ramanand Gupta	5.25		3.65	
(c) Ms. Shiwati	4.70			
Loan Taken	-		-	
Mr. Sunil Kumar Malik	232.80	14.23	431.24	2.11

Mr. Dinesh Pareekh	25.00	25.00	-	-
<u>Loan Taken From Intercompany</u>				
Securocrop Securities India Private Limited	303.00	702.42	364.09	364.09
BLP Equity Research Pvt Ltd	375.00	335.14	-	
<u>Loan Repaid</u>	-		-	
Mr. Sunil Kumar Malik	220.67	14.23	636.50	2.11
<u>Loan Repaid to Intercompany</u>				
BLP Equity Research Pvt Ltd	43.00	335.14	-	-
<u>Interest paid</u>				
BLP Equity Research Pvt Ltd	11.26	3.14	-	-
Securocrop Securities India Private Limited	39.25	49.42	15.66	12.42
<u>Loan Given</u>				
Vista Furnishing Pvt Ltd	130.00	209.24	388.61	388.61
Akashdeep Metal Industries Limited	915.85	111.53		
<u>Loan Receive</u>				
Vista Furnishing Pvt Ltd	321.00	209.24		
Akashdeep Metal Industries Limited	1,023.00	111.53		
<u>Interest receive</u>				
Vista Furnishing Pvt Ltd	22.49	20.24		
Akashdeep Metal Industries Limited	14.87	3.67		
<u>Purchase Made</u>				
Vista Furnishing Pvt Ltd	25.81	25.98	71.05	0.17
Gem Enviro Management Private Limited	-	0.11		
<u>Sale Made</u>				
Vista Furnishing Pvt Ltd	-	0.21	285.33	
Gem Enviro Management Private Limited	-	0.21		

Note 35

Income Taxes

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when the tax benefit exceeds the cumulative income statement expense on share plans. The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Income Tax Expense recognised in Statement

a.) of Profit and loss for the period:

(Rs. In Lacs)

Particulars	For the period ended	
	31st March, 2023	31st March, 2022
Current Tax:		
- Relating to Current year	53.53	18.57
- Relating to Preceding year	-	-
Deferred Tax:		
- Relating to Current year	-3.05	-4.20
	-	-
Total	50.48	14.38

b.) Income tax expense/(benefit) recognised directly in other comprehensive income for the period:

(Rs. In Lacs)

Particulars	For the period ended	
	31st March, 2023	31st March, 2022
Income tax expense/(benefit) recognised in other comprehensive income		
- Relating to Tax effect on actuarial (gain)/ loss on defined benefit obligations	-0.22	-20.39
- Related to Tax effect on net gain/(loss) on fair value of current investment	-	-
Total	-0.22	-20.39

c.) Reconciliation of tax expense and the accounting profit multiplied by tax rate for the period

(Rs. In Lacs)

Particulars	For the period ended	
	31st March, 2023	31st March, 2022
Accounting Profit/(loss) Before Tax	185.36	106.10
Enacted tax rate	0.29	0.29
Computed tax expense	53.01	30.34
Tax effect of:		
Non-deductible expenses/Allowable income for tax purpose	-	10.96
Deductible expenses /Disallowable income for tax purpose	-	-8.14
Deductions on income	-	-
Income taxed at lower rate	-	-17.32
Income tax/(benefit) relating to previous years	-	-
Deferred tax liability/(asset) charged during the year	-	-
Total Tax expense charged	53.01	15.85
Effective tax rate	0.29	14.94%

d.) The movement in deferred tax assets/ (liabilities) during the year:

(Rs. In Lacs)

Deferred tax assets/(liabilities)	in OCI	in Profit & Loss	Total
Balance as at 1st April, 2021	-	11.10	11.10
Expense allowed in the year of payment (Gratuity)	-	-	-
Difference between book and tax depreciation	-	-	-
Differences as per ICDS	-	-	-
Other	-	-	-
Balance as at 31st March, 2022	-	11.10	11.10
Expense allowed in the year of payment (Gratuity)	0.06	0.00	0.06
Difference between book and tax depreciation	-	5.15	5.15
Asset on Lease and Lease Liability	-	-	-
Differences as per ICDS	-	-	-
Other	-	-	-
Adjustment due to prior period items	-	-	-
Balance as at 31st March, 2023	0.06	16.25	16.32

Note: 36 Fair value measurement

Note 28 Fair values

The Management assessed that the cash and cash equivalents and trade receivables approximate their carrying amounts largely due to the short- term maturities of these instruments.

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

The fair value of the financial assets such as Unquoted Equity investments is taken at cost as unobservable inputs for fair value is unidentifiable in market.

The Significant observable inputs used in the fair value measurement categorised within level 1 of the fair value hierarchy as at 31 March 2022 & 31 March 2021 are as shown below.

<u>Description</u>	<u>Valuation technique</u>	<u>Significant observable inputs</u>	<u>Significant observable inputs</u>	
1. FVTOCI assets in Quoted Equity Investments	Market approach techniques	Market prices of issuing company	Market prices of issuing company	
2. FVTOCI assets in Unquoted Equity Investments	Market approach techniques	Book Value/Net Asset Value of Issuing co.	Book Value/Net Asset Value of Issuing co.	
3. Derivative financial instruments	MTM Approaches	NA	NA	

Note 29 Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Company's assets & liabilities.

Quantitative disclosure of fair values measurement hierarchy for assets as at 31st March 2023:

(Rs. In Lacs)

Description	Date of Valuation	Fair value measurement using		
		Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured at Fair value through other comprehensive income:				
Investments Equity Shares	31-03-2023	-	-	0.10
Assets Measured at Fair value through Profit & Loss Account:				

Quantitative disclosure of fair values measurement hierarchy for assets as at 31st March 2021:

(Rs. In Lacs)

Description	Date of Valuation	Fair value measurement using		
		Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured at Fair value through other comprehensive income:				
	-	-	-	-

Assets Measured at Fair value through Profit & Loss Account:	-	-	-	-
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Note 37 Financial risk management

Company has operations in India. Whilst risk is inherent in the Company’s activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company’s continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

A. Market Risk

Market risk is the risk that the fair value or future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company’s exposure to foreign currency risk at the end of reporting period is shown in note no 37

(ii) Interest rate risk

The Company is exposed to Interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company’s interest rate risk arises from interest bearing deposits with bank and loans given to customers. Such instruments exposes the Company to fair value interest rate risk. Management believe that the interest rate risk attached to this financial assets are not significant due to the nature of this financial assets.

(iii) Market price risks

The Company is exposed to market price risk, which arises from FVTPL and FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

B. Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity'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 entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits and liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on the **contractual undiscounted payments**.

(Rs. in Lacs)

Particulars	On Demand /less than 3 months	Payable within 3 to 12 months	Payable more than 1 year and less than 5 year	Payable more than 5 year
Year ended 31st March 2023				
Payables				
(I) Trade payables	1,171.79	-	-	-
(II) Other payables	51.19	-	-	-
Borrowings (Other than debt securities)	39.23	15.61	702.42	-
Deposits	-	-	-	-
Other financial liabilities		-	-	-
Year ended 31st March 2022				
Payables				
(I) Trade payables	750.81			-
(II) Other payables	150.67			-
Borrowings (Other than debt securities)	56.16	66.32	304.09	-
Deposits				-
Other financial liabilities		3.77		18.86

C. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investment in mutual fund units, term deposits, trade receivables and security deposits.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

NOTE: 38 Contingent liabilities not Provided for

Claims against the company pending appellate / judicial decisions not acknowledged as debts in respect of Income Tax

(Rs. in Lacs)

As at 31st March, 2023	As at 31st March, 2022
Nil	Nil

NOTE: 39 Commitments⁴¹

Estimated amount of contracts remaining to be executed on capital account.

(Rs. in Lacs)

As at 31st March, 2023	As at 31st March, 2022
Nil	Nil

NOTE: 40 Title deeds of immovable property not held in the name of the company.

The Company holds title deeds of all the immovable property (Other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) in the name of the company.

NOTE: 41 Details of Loan & Advances in the nature of loan granted to Promoters, Directors, Key Management Personnel & the related parties (as defined under Company Act 2013)

- (a) Repayable on demand or
- (b) Without specifying any term or period of repayment

The company has not granted loans or advances in the nature of loans to the director, promoters, Key managerial personnel and their relatives.

Type of Borrowed	Current Period		Previous Period	
	Amount of O/s	% of Total	Amount of O/s	% of Total
Promoters	-		-	
Directors	-		-	
Key management Persons	-		-	
Relative Parties	-		-	

NOTE : 42 Capital work in progress ageing & overdue or has exceeded to its original plan

Company does not have any capital work in progress

NOTE : 43 Intangible assets under development

Company does not have any intangible assets under development.

NOTE :44 Details of Benami Property held

No proceedings have been initiated or pending against the company for holding any benami property under the benami transactions (Prohibition) Act, 1988 and the rules made thereunder.

NOTE :45 Wilful defaulter

The company has not made any default in the repayment of any borrowing, as such the declaration as wilful defaulter is not applicable.

NOTE :46 Relationship with stuck of the company

The company did not have any transaction with companies struck off under section 248 of the companies act 2013 or section 560 of the companies act, 1956 as such no declaration is required to be furnished.

NOTE :47 Registration of Charge/Satisfaction

There is no charge or satisfaction of charges which is pending for registration beyond the statutory period.

NOTE :48 Compliance with number of layer of completion

The company does not have any subsidiary company as such there is no non compliance with the number of layers prescribed under clause (87) section 2 of the Act read with companies (Restriction on number of layers) Rules, 2017.

NOTE : 49 Ratio analysis

S.no	Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reasons of Variance
1	Current Ratio	Current Assets	Current Liabilities	1.62	2.14	-24.03%	
2	Debt Equity ratio	Total Debt	Shareholders' Equity	0.01	-	0.00%	
3	Debt Service Coverage ratio	Earnings Available for Debt Service (Net profit before Taxes+Non Cash operating Expenses Depreciation and Auxillary+ Interest+ other Adjustments like loss on sale of Fixed Assets etc)	Debt Service (Interest+Lease Payments+Principal Repayments)	4.18	4.34	-3.76%	
4	Return on Equity	Net Profit after tax- Preferred Dividend (If Any)	Equity	8%	6%	42.25%	During the year Turnover Increase in comparison to last year
5	Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	18.45	535.27	-21.82%	

6	Trade Receivable Turnover Ratio	Net Credit Sale	Average Accounts receivable	2.50	29.74	-91.60%	During the year Turnover Increase in comparison to last year
7	Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payable	6.76	19.76	-65.79%	During the year purchase Increase in comparison to last year
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	5.25	9.79	55.77%	During the year Turnover Increase in comparison to last year
9	Net Profit ratio	Net Profit	Net Sales	0.00	0.01	-16.89%	
10	Return on Capital Employed	Earnings before Interest & Taxes	Capital Employed (Tangible Net Worth+ Total Debt+DTL)	0.14	0.20	-31.77%	
11	Return on investment	Net Return on Investment	Cost of Investment	NIL	NIL	0.00%	

NOTE : 50 Compliance with approved scheme (s) of arrangements

No scheme of arrangements was required u/s 230 to 237 of the companies Act, 2013 during the year, as such disclosure is not required.

NOTE : 51 Utilisation of borrowed fund & Share Premium

The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entities including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall 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 to or on behalf of the ultimate beneficiaries;

A)

The company has not received any fund from any person or entities including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

B)

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 to or on behalf of the ultimate beneficiaries;

Undisclosed Income

NOTE : 52

The company has neither surrendered nor disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

NOTE : 53 Corporate Social Responsibility (CSR)

Not Applicable

NOTE : 54 Cryptocurrency or Virtual Currency

The company has neither traded nor invested in cryptocurrency or virtual currency as such no disclosure is required.

NOTE : 55 DISCLOSURE REQUIREMENTS UNDER MSMED ACT, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

PARTICULARS	31.03.2023	31.3.2022
- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	443.23	3.78
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
- Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
- Further interest remaining due and payable for earlier years	-	-

NOTE : 56 Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N**

FOR RACE ECO CHAIN LIMITED

**Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564**

**Sd/-
RAMA NAND GUPTA
EXECUTIVE DIRECTOR
DIN 03397154**

**Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453**

**PLACE: DELHI
DATED: 29th May 2023
UDIN: 23090564BGYSVN8135**

**Sd/-
ANSHU AGARWAL
CFO**

**Sd/-
SHIWATI
COMPANY SECRETARY**



RACE ECO CHAIN LTD.

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Contact Us: +91 9821002515

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