

September 03, 2021

General Manager-Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code – 530643 ISIN – INE316A01038

Subject: 27th Annual Report of Eco Recycling Limited for FY 2020-21

Dear Sir/Madam,

Pursuant to provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 27th Annual Report of Eco Recycling Limited for FY 2020-21.

Please note that the 27th Annual General Meeting will be held on Monday, September 27, 2021.

Kindly take the same on your records and acknowledge receipt thereof.

Thanking You.

Yours faithfully,

For Eco Recycling Limited



Aniruddha Badkatte
Company Secretary and Compliance Officer



ECO RECYCLING LIMITED

ANNUAL REPORT 2020-2021

RECYCLE YOUR E-WASTE

*Because we owe it
to Mother Nature*



India's First CPCB & MPCB approved and only E-waste Recycling Company listed in BSE.



Ecoreco[®]
Eco Recycling Limited

Give your e-waste to the best

BOARD OF DIRECTORS

DIRECTORS

B K Soni – CMD
Aruna Soni – Executive Director
Shashank Soni – Executive Director and Chief Financial Officer
Srikrishna B. – Independent Director
D. T. Devale – (Ex – Law Officer – MPCB)
Giriraj Bhattar – Independent Director

COMPANY SECRETARY

Aniruddha Badkatte (w.e.f 25-06-2021)

AUDITORS

RMR & Co.
Chartered Accountants
425, Summit Business Bay, Near WEH Metro Station,
Andheri (E), Mumbai – 400 093
Tel. No.: 022 – 26832007

BANKERS

HDFC Bank
Kotak Mahindra Bank

REGISTRARS & TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis
Next to Keys Hotel, Makwana Road, Andheri (E), Mumbai – 400059
Tel. No.: 022-62638294 | Email: investor@bigshareonline.com

REGISTERED OFFICE

422, The Summit Business Bay
Opposite Cinemax Theatre, Andheri-Kurla Road, Andheri (E), Mumbai–400 093

FACILITY ADDRESS

Eco House
S. No. 22, H. No. 6 & 7
Bhoidapada, Near Range Office, Vasai (E) - Palghar - 401208

E-MAIL ADDRESS

crm@ecoreco.com
shareholders@ecoreco.com

WEBSITE

www.ecoreco.com

NOTICE OF 27th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SEVENTH ANNUAL GENERAL MEETING OF ECO RECYCLING LIMITED WILL BE HELD ON MONDAY, 27TH SEPTEMBER, 2021 AT 11.00 AM VIA VIDEO CONFERENCING ("VC") TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt:
 - a. The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2021 including the Audited Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Board's Report and the Report of Auditors' thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 and the Report of the Auditors thereon;
2. To appoint a Director in the place of Mr. Shashank Soni (DIN: 06572759), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act') and who is not disqualified to become Director under the Act and, being eligible, offers himself for re-appointment;
3. To consider and if thought fit pass, with or without modification (s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 the appointment of M/S.

R M R & Co. Chartered Accountants as the Statutory Auditors of the Company with effect from August 6, 2021 in the causal vacancy caused consequent to the resignation of M/S. Talati and Talati LLP, Chartered Accountants be and hereby is approved and they shall hold the said office till conclusion of this Annual General Meeting."

"RESOLVED FURTHER THAT pursuant to section 139 and other applicable provisions if any, of the Companies Act 2013, and the Companies (Audit and Auditors) Rules 2014, M/S. R M R & Co. Chartered Accountants be are hereby appointed as the Statutory Auditors of the Company and they shall hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting at a remuneration as may be decided by the Board from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

SPECIAL BUSINESS:

4. **Appointment of Mr. Griraj Bhattar (DIN: 09067018) as an Independent Non-Executive Director:**

To consider and if thought fit pass, with or without modification (s) the following resolution as Ordinary Resolution:

"RESOLVED THAT, pursuant to section 149 and section 152, read with schedule IV and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, including any statutory modifications

or re-enactment thereof for time being in force and as per securities and exchange Board of India (Listing Obligations and Disclosure Requirements Regulations) 2015 Mr. Giriraj Bhattar (DIN: 09067018) who was appointed as Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, be and hereby appointed as an Independent Director of the Company for period of Five years from February 12, 2021 to February 11, 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

5. **Authority to Borrow Money under section 180 (1) (c)**

To consider and if thought fit pass, with or without modification (s) the following resolution as Special Resolution:

"RESOLVED THAT consent of the members of the Company be and is hereby accorded in terms of Section 180(1)(c) and other applicable provisions if any, of the Companies Act 2013 as may be applicable (including any statutory Modifications, amendments or re-enactments thereto for time being in force) to borrow any sums or sums of monies from time to time for the purpose of Companies business on such terms and conditions and with or without security from any bank or financial institutions or any other lending institutions, firms, bodies corporate or persons of India or otherwise from the

foreign parties/ entities subject to provisions of the FDI and/or FEMA and from Directors, or through issue of Debt Securities like Debentures or Green Bond as may be suitable and considered appropriate by the Board notwithstanding that the sums or sum of monies to be borrowed togetherwith monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves provided that amount so borrowed by the Board shall not anytime exceed the limit of 150 Crore (One hundred and Fifty Crore) over and above the paid up capital of the Company and its free reserves.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

6. To Increase Overall Managerial Remuneration

To consider and if thought fit pass, with or without modification (s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to first proviso to sub section (1) of section 197 and other applicable provisions of the Companies Act 2013 read with schedule V and the rules made thereunder and as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) for time being in force and the Articles of Association of the Company and as recommended

by Nomination and Remuneration Committee and the Board of Directors and subject to approval of any other statutory authorities, as may be required in this regard, the approval of members of the Company be and is hereby accorded to increase the overall maximum managerial remuneration limit payable to directors , including Managing Director, whole time directors and manager, if any, in respect of any financial year from 11% but upto 40% of the net profits of the Company computed in manner as laid down in section 198 of Companies Act, 2013."

"RESOLVED FURTHER THAT pursuant to clause (i) of the second proviso to sub section (1) of section 197 and other applicable provisions of the Companies Act, 2013, read with schedule V and the rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s), for the time being in force and the Articles of Association of the Company and as recommended by the Nomination and Remuneration committee and the Board of Directors; and subject to the approval of any other statutory authorities, as may be required in this regard, the approval of the Members of the Company, be and is hereby accorded to increase the limit exceeding 5% or 10% (as applicable), as stipulated in clause (i) of the first proviso to sub section (1) of section 197 of the Companies Act, 2013, payable to any one or more managing directors or whole-time directors of the Company in any financial year, computed in the manner laid down in section 198

of the Companies Act, 2013 and in excess of limit under regulation 17(6) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise the remuneration payable to Mr. Brijkishor Soni, Chairman and Managing Director, Mrs. Aruna Soni, Executive Director and Mr. Shashank Soni, Director and Chief Financial Officer of the Company subject to the limit being increased by this resolution under section 197 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

By order of the Board of Directors

B. K. Soni

Chairman & Managing Director

DIN: 01274250

24th August, 2021

Mumbai

Registered Office:

422, The Summit Business Bay

Near WEH Metro Station,

Andheri-Kurla Road,

Andheri (E), Mumbai-400 093

CIN: L74120MH1994PLC079971

www.ecoreco.com

1. The relative Statement (Explanatory Statement) pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and at any time 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 Chairmen of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Pursuant to the Circular No. 14/2020 dated April 08, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013 ("the Act"), representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ecoreco.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. www.evotingindia.com
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
7. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking re-appointment/ Appointment at the AGM, is furnished as annexure to the Notice. The Director has furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules framed there under.
8. AGM will be held through VC in accordance with the Circulars, the route map and attendance slip are not attached to this Notice.
9. Pursuant to section 91 of the Companies Act 2013 read with Companies (Management & Administration) Rules 2014 and Regulation 42 of the SEBI (LODR) Regulations 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from Monday 13 September 2021 to Wednesday the 15 September 2021 (both days inclusive).
10. Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ("NECS") mandates, etc. under the signature of the registered holder(s) at any of our e-mail shareholders@.ecoreco.com
11. Queries, if any, on the Annual Report and operations of the Company, may please be sent at shareholders@.ecoreco.com at least seven days prior to the date of the AGM. The member must mention his name demat account number/ folio number, email id, mobile number with the query; so that

- relevant query may be replied by the Company suitably at the meeting.
12. Notice of the AGM and the Annual Report for the Financial Year 2020-21 are being sent electronically to the Members whose E-mail IDs are registered with the Depository Participant(s) and / or RTA. It would also be uploaded on the website of Company www.ecoreco.com. Any member, who has not registered his Email id, may register his / her Email ID with RTA for getting registered and may also request for a copy Annual Report electronically.
 13. As per SEBI directives securities of listed companies can be transferred only in dematerialised form with effect from 1 April 2019. **Members, holding shares in physical forms, are advised to dematerialise their shares.**
 14. The statutory registers including Register of Directors, Key Managerial Personnel under the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to shareholders@ecoreco.com.
 15. The Company has appointed M/s. Jyoti Dubey & Associates, Practicing Company Secretaries (C.P No.24221) as the Scrutinizer for conducting the e-voting process in fair and transparent manner. The Scrutiniser, after scrutinizing the votes cast, shall submit her Report to the company.
 16. The results declared, along with the report of the Scrutiniser, shall be placed on the website of the Company www.ecoreco.com immediately after the declaration of result and the results shall also be communicated to the Stock Exchanges.
 17. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR), Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by "Central Depository Services India Ltd."
 18. The Annual Report of the Company shall be dispatched through email to the Persons, whose names are recorded in the Register of Members on or before 27th August, 2021 maintained by RTA.
 19. The remote e-Voting period commences on Friday 24th September 2021 at 10 A.M and will end on Sunday 26th September 2021 at 5 P.M. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by CDSL upon expiry of aforesaid period. Only the members whose names are borne in the register of members as on 20th September 2021 shall be allowed to cast their votes by remote e-Voting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 20. Members are required to cast their votes by Remote e -voting only during voting period. However, they may attend the AGM through VC/OAVM but shall not be entitled to cast their votes again at Annual General Meeting.
- Voting:**
21. Voting - The instructions for shareholders voting electronically are as under:

- i) a. The voting period begins on the Friday 24th September 2021 at 10 A.M and will end on Sunday 26th September 2021. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date 20th September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c. Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (ii) In terms of SEBI circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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. CDSL and NSDL

Login Type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free No.: 1800 1020 990 & 1800 22 44 30

(iii) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(iv) After entering these details appropriately, click on “SUBMIT” tab.

(v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter

their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for the Eco Recycling Limited to vote.
- (viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (x) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on "Click here

to print" option on the Voting page.

- (xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) Facility for Non – Individual Shareholders and Custodians – Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to

verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; uptodatecompliances@gmail.com and shareholders@ecoreco.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. 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.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at (shareholders@ecoreco.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (shareholders@ecoreco.com). These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are 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 available during the AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**
1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front

and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shareholders@ecoreco.com and to RTA at investor@bigshareonline.com

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE TWENTY-SEVENTH ANNUAL GENERAL MEETING OF THE COMPANY

Item No. 4:

Appointment of Mr. Giriraj Bhattar (DIN: 09067018) as an Independent Non-Executive Director:

The Nomination & Remuneration Committee, at its meeting held on February 12, 2021, recommended to appoint Mr. Giriraj Bhattar (DIN: 09067018) as an Additional Director (Independent Non- Executive Director) for a term of five consecutive years commencing from February, 12, 2021 to February 11, 2026, not liable to retire by rotation. The Board of Directors, at its meeting held on February 12, 2021, accepted the recommendation of the Nomination & Remuneration Committee and appointed Mr. Giriraj Bhattar (DIN: 09067018) as an Additional Director (Independent Non-Executive Director) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), for a term of five consecutive years commencing from February, 12, 2021, not liable to retire by rotation, subject to the approval of the Members. He holds office up to the date of this Annual General Meeting (AGM) pursuant to section 161 of the Act and is eligible to be appointed as the Director and he is not disqualified to become a director under the Act. The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of the Director of the Company.

The Company has received from Mr. Giriraj Bhattar (DIN: 09067018) consent in writing to act as Director in form DIR-

2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Giriraj Bhattar (DIN: 09067018) fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management. Mr. Giriraj Bhattar (DIN: 09067018) is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel, and their relatives, are in any way, concerned or interested in the said resolution. The Board recommends to pass Ordinary Resolution as set out in Item No. 4 of the notice.

Item No. 5:

Pursuant to Expansion plan undertaken by the Company and to enable financial flexibility it is proposed the Board of Directors be authorized to borrow upto 150 Crores (one hundred and Fifty Crores only) over and above the paid up capital of the Company and its free reserves from any bank, financial institutions or any other lending institutions or firms, bodies corporates or persons of India or otherwise from foreign parties/entities subject to the provisions of FDI and/or FEMA and from Directors, or through issue of Debt Securities like Debentures or Green Bonds as may be appropriate. As per section 180 (1) (c) of the Companies

Act 2013 to borrow money where money to be borrowed, together with Money already borrowed by the Company will exceed aggregate of its paid up Share Capital of the Company, free reserves and Securities Premium account apart from temporary loans obtained from companies Bankers in ordinary course of Business unless it is previously authorised by special resolution. Hence it is necessary to obtain approval for the same from the Members. The Board recommends to pass Special Resolution as set out in Item No. 5 of the notice.

Item No. 6:

To Increase in overall Managerial Remuneration exceeding 11% but upto 40% of the Net Profits of the Company

As per Companies Act, 2013, the total managerial remuneration payable by a Company to its Directors including Managing Director, Whole time Director or Manager in any financial year may exceed 11% of the net profits of the Company calculated as per section 198 of the Companies Act 2013 provided the same is approved by the Members of the Company by special resolution.

The Securities and Exchange Board of India ('SEBI') vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ('the Amendment Regulations') which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Vide the Amendment Regulations, after the existing Regulation 17(6)(d), the new sub-regulation 17(6)(e) has been inserted.

As per the new amendment, if the aggregate annual remuneration payable to more than one Executive Director who is a Promoter or is a Member of the Promoter Group, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 ('the Act') then approval of the Members by way of a Special Resolution is required. Such approval of the Members under this provision shall be valid only till the expiry of the term of such Director.

The Board of Directors of the Company after considering inflationary trend and substantial increase in the business activities of the Company which results in increase in work load and responsibilities of Managerial Personnel, on recommendation of Nomination and Remuneration Committee has proposed to increase the remuneration paid to executive directors.

Accordingly, the Board of Directors considered the proposal to increase the overall limit of Managerial Remuneration payable exceeding 11% but upto 40% of the net profits of the Company Calculated as per section 198 of the Act for the any financial year.

Mr. Brijkishor Soni (DIN: 01274250) is the Chairman and Managing Director and also the Promoter of the Company. Based on recommendation of Nomination and

Remuneration Committee, the Board of Directors had increased remuneration which is exceeding the prescribed limits as prescribed under Companies Act 2013 and Securities Exchange Board of India (listing Obligations and Disclosure Requirements) Regulation 2015.

Mrs. Aruna Soni (DIN: 01502649) is the Executive Director and also the Promoter of the Company. Based on recommendation of Nomination and Remuneration Committee, the Board of Directors had increased the remuneration which is exceeding the prescribed limits as prescribed under Companies Act 2013 and Securities Exchange Board of India (listing Obligations and Disclosure Requirements) Regulation 2015.

Mr. Shashank Soni (06572759) is the Executive Director and Chief Financial Officer of the Company.

Mr. Shahshank Soni is a MBA from Cardiff University UK and holds a Bachelor of Commerce degree from Narsee Monjee Institute of Management studies (NMIMS). He is associated with the Company since 2013. Considering the additional responsibilities entrusted with him and on recommendation of Nomination and Remuneration Committee, the Board of Directors had increased remuneration which is exceeding the prescribed limits as prescribed under Companies Act

2013 and Securities Exchange Board of India (listing Obligations and Disclosure Requirements) Regulation 2015.

In view of above, the Board recommends passing of special resolution as set out in item No. 6

As per section 103(2) Pursuant to Section 102(1) of the Act, it is informed that, Mr. Brijkishor Soni, Chairman and Managing Director (DIN: 01274250), Mrs. Aruna Soni Executive Director DIN: (01502649) & Mr. Shashank Soni, Director and Chief Financial Officer (DIN: 06572759), of the Company, being relatives within the meaning of Section 2(77) of the Act, are concerned or interested in the Resolution at Item No. 6 of the accompanying notice.

As on March 31, 2021, Mr. Brijkishor Soni (DIN: 01274250) was holding 25,70,112 equity shares of the Company constituting 13.32 % of total voting power and Mrs. Aruna Soni DIN: (01502649) was holding 9,95,697 equity shares of the Company constituting 5.16 % of total voting power. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than those mentioned above, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Annexure to item Nos. 2, & 4 of the Notice:

(Details as required to be furnished under the secretarial standard–2–para 1.2.5 and regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Name of the Director	Mr. Shashank Soni	Mr. Griraj Bhattar
DIN	06572759	09067018
Date of Birth and Age	26-11-1990	10-01-1960
Qualifications	MBA from Cardiff University UK, Bachelor of Commerce degree from Narsee Monjee Institute of Management Studies (NMIMS)	Chartered Accountant

Nationality	Indian	Indian
Terms and conditions of appointment / re-appointment	Re-appointed as executive director liable to retire by rotation. He is also entrusted with addition responsibilities as Chief Financial Officer of the Company.	Appointed as Non-Executive - Independent Director of the Company w.e.f. 12 th February, 2026 for a period of five years.
Details of remuneration sought to be paid	60,00,000	Nil
Date of first appointment on the Board	1 st October 2013	12 th February, 2021
Number of board meetings attended during the year	4	0
Relationship with Directors, Managers or other KMPs	Son of Mr. Brijkishor Soni and Mrs. Aruna Soni	None
Brief Resume	Mr. Shashank Soni is MBA from Cardiff University UK, Bachelor of Commerce degree from Narsee Monjee Institute of Management Studies (NMIMS). He is associated with the Company since 2013.	Mr. Giriraj Bhattar is qualified Chartered Accountant who have served several reputed organization in the country.
Expertise in specific functional area	<ol style="list-style-type: none"> Strategic Growth Initiatives of the Company within and outside India. Finance and Accounts 	Finance and Accounts
Directorships (other than Eco Recycling Limited)	<ol style="list-style-type: none"> Eco Remarketing Private Limited Ecoreco Park Private Limited Data De-end Private Limited Ecoreco Enviro Education Private Limited Reverse E-Commerce Private Limited EPR Compliance Private Limited 	None
Chairman / Member of Committees of the Board of Directors of other Companies in which he is a Director*	None	None
Shareholding in the Company	NIL	NIL

By order of the Board of Directors

B. K. Soni

Chairman & Managing Director

DIN: 01274250

24th August, 2021

Mumbai

Registered Office:

422, The Summit Business Bay,

Near Cinemax Theatre, Andheri - Kurla Road,

Andheri (E) Mumbai – 400 093

CIN: L74120MH1994PLC079971

www.ecoreco.com

DIRECTORS' REPORT

The Members of

ECO RECYCLING LIMITED

The Directors are pleased to present the Twenty Seventh Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended 31st March, 2021.

1. THE STATE OF THE COMPANY'S AFFAIRS

The period under discussion was quite satisfactory in terms of overall performance of the Company.

1.1 KEY FINANCIAL HIGHLIGHTS (₹ in Lacs)

Particulars	Standalone		Consolidated	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Income	1848	1321	1848	1322
Expenditure	1300	1197	1291	1200
Profit / (Loss) before Depreciation and Tax and exceptional Item	594	170	605	170
Exceptional Item	-	-	-	-
Depreciation	47	47	48	48
Profit / (Loss) before Tax	547	123	557	122
Deferred Tax/ Current Tax	110	11	110	11
Profit / (Loss) after Tax	438	112	447	111

During the year under review, the Company has reported a total income of Rs. 1848 lakhs as against Rs. 1321 lakhs in previous year. The net profit of the Company increased to Rs. 438 lakhs from Rs. 112 lakhs in previous year.

1.2 Change in nature of Business

The Company is engaged in the business of e-waste management and recycling. There was no change in nature of business activity during the year.

1.3 Change in Share Capital

During the Financial Year 2020-21 there was no change in capital structure of the company.

1.4 Revision of Annual Financial Statement

There was no case of revision in financial statement during the year.

2. DIVIDEND

Your Directors have not recommended any dividend for the financial year ended March 31, 2021.

3. TRANSFERS TO RESERVES

During the year the Company has not transferred any amount to the reserves.

4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since Recycling is the core activity of your Company, Section 134(3) of the Companies Act, 2013 read with the rules made thereunder, the clause relating to Conservation of Energy and Technology absorption is not applicable to your Company.

6. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo in terms of actual outflows during the year is as follows:

(₹ in Lacs)

Particulars	2020-21	2019-20
Earnings in Foreign Currency	162.73	8.10
Expenses in Foreign Currency	-	23.27

7. EXTRACTS OF ANNUAL RETURN

The form No. MGT- 7 for financial year 2020-21 is uploaded Company's website www.ecoreco.com.

8. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

9. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

10. BOARD MEETINGS

The Board of Directors (herein after called as "the Board") met for 6 (Six) times during the year under review:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1	16.05.2020	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 4:30 P.M.	i) B K Soni ii) Dattatraya Devale iii) Shashank Soni iv) Aruna Soni	Srikrishna B.
2	18.07.2020	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 12:00 P.M.	i) B K Soni ii) Aruna Soni iii) Srikrishna B. iv) Shashank Soni v) Dattatraya Devale vi) Ravi Varma	-
3	25.07.2020	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 5:00 P.M.	i) B K Soni ii) Srikrishna B. iii) Shashank Soni iv) Dattatraya Devale v) Ravi Varma	-
4	10.09.2020	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 11:00 A.M.	i) B K Soni ii) Dattatraya Devale iii) Srikrishna B. iv) Aruna Soni	i) Shashank Soni ii) Ravi Varma
5	10.12.2020	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 5:00 P.M.	i) B K Soni ii) Aruna Soni iii) Srikrishna B. iv) Shashank Soni v) Dattatraya Devale	Ravi Varma

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
6	12.02.2021	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 5:00 P.M.	i) B K Soni ii) Srikrishna B iii) Dattatraya Devale	i) Shashank Soni ii) Aruna Soni

11. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on the date of this Report, your Company has 6 (Six) Directors consisting of 3 (Three) Independent Directors and 3 (Three) Executive Directors including a Woman Director.

In pursuance of the provisions of Section 152(6) of the Act and Articles of Association of the Company, Mr. Shashank Soni (DIN: 06572759) retires by rotation from the Board in the ensuing AGM and, being eligible for re-appointment, has offered himself for re-appointment. The Board of Directors recommends his re-appointment to the Members of the Company.

During the year under review, Mr. Ravi Varma (DIN: 08762549), Independent & Non-Executive Director, has resigned from the Board of Directors of the Company with effect from December 10, 2020 due to personal commitments and other pre-occupations. The Board of Directors places on record their appreciation for the valuable contributions made by Mr. Ravi Varma (DIN: 08762549).

Further, the Board of Directors of the Company in the Board Meeting held on February 12, 2021 has appointed Mr. Giriraj Bhattar (DIN: 09067018) as an Additional Independent & Non-Executive Director. Pursuant to provisions of Section 160 and 161 of the Companies Act, 2013 his term as Director is valid till the ensuing Annual General Meeting of the Company. The

Company had received notice from a Member of the Company u/s 160 of the Act proposing the candidature of Mr. Giriraj Bhattar (DIN: 09067018) as an Independent & Non-Executive Director of the Company. The Board has considered the proposal and decided to recommend his name to the Members in ensuing Annual General Meeting to be appointed as an Independent & Non-Executive Director of the Company.

During the period under review, Mr. Anand Dubey, Company Secretary and Compliance Officer resigned w.e.f May 04, 2020. Ms. Khushboo Hanswal was appointed as Company Secretary and Compliance Officer of the Company w.e.f September 1, 2020. Further she resigned as a Company Secretary and Compliance Officer w.e.f March 25, 2021. Mr. Aniruddha Badkatte was appointed as Company Secretary and Compliance Officer w.e.f June 25, 2021.

Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his role, function, duties and responsibilities. The format of the letter of appointment is available on our website at <http://ecoreco.com/investor-overview.aspx>

Brief resume and other details of the Director proposed to be re-appointed at the AGM, as stipulated under the Listing Regulations and Secretarial Standard-2, has been furnished

separately in the Notice convening the AGM read with the Annexure thereto forming part of this Report.

Details of the number of meetings of the Board of Directors and Committees and attendance at the meetings have been furnished in the Report on Corporate Governance.

Following persons are designated as Key Managerial Personnel (KMP):

Mr. Brijkishor Soni (DIN: 01274250), Chairman and Managing Director

Mr. Shashank Soni, Executive Director and Chief Financial Officer

Mr. Aniruddha Badkatte, Company Secretary and Compliance officer

12. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

All Independent Directors of your Company have given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to 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 and that they are not disqualified to become Directors under the Act.

Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as

specified in the Companies Act, 2013 and the Rules made thereunder.

13. Board Familiarization Program

At the time of appointment of a new Director, through the induction process, he/she is familiarized with the Company, the Director's roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Detailed presentations are made before the Board Members at the Board and its Committee Meetings covering various areas including business, strategy, financial performance and forecast, compliances/regulatory updates, audit reports, risk assessment and mitigation, industry, roles, rights, responsibilities of Independent Directors, etc.

Familiarization Program for Independent Directors:

The Familiarization Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. All Independent Directors attended the orientation and familiarization programs held during the financial year 2020-21.

The details of training and familiarization programs are available on our website at: http://ecoreco.com/Uploads/Downloads/Familiarization_Programme.pdf

14. CODE OF CONDUCT

The Company has laid down a code of conduct for all Board members and senior management and Independent Directors of the Company. All the Board members including independent directors and senior management personnel have affirmed compliance with the code of conduct.

15. NOMINATION & REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 and 20 of SEBI (LODR) Regulations, 2015 the Company has constituted Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Composition of the above Committees, their terms of reference detailed in the Corporate Governance report.

16. AUDIT COMMITTEE

The Audit Committee comprises of Mr. Srikrishna Bhamidipati as Chairman, Mr. Dattatraya Devale and Mrs. Aruna Soni as members. The Internal Auditors of the Company report directly to the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board. The details of meetings of Audit Committee held during the year, its composition, terms of reference are given in the Report on Corporate Governance.

17. REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has approved and adopted a Remuneration Policy for selection and appointment of Directors, Senior Management personnel and their remuneration. The Whistle Blower Policy has been disclosed on the Company's website www.ecoreco.com.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a 'Whistle Blower Policy'/'Vigil Mechanism' in place. The objective of the Vigil Mechanism is to provide the employees, Directors, customers, contractors and other

stakeholders of/in the Company an impartial and fair avenue to raise concerns and seek their redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair dealings with all its stakeholders and constituents and its commitment to open communication channels. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. The Policy contains the provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy has been disclosed on the Company's website www.ecoreco.com and circulated to all the Directors and employees.

19. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated under section 134(3) (c) read with Section 134(5) of the Act, your Directors hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on March 31, 2021, the applicable accounting standards have been followed and that there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company

at the end of the financial year ended on March 31, 2021 and of the profit and loss of the Company for that period;

- (c) they have taken proper and sufficient care 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) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively during the financial year ended March 31, 2021 and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively during the financial year ended March 31, 2021.

20. COMMISSION RECEIVED BY DIRECTORS FROM HOLDING/ SUBSIDIARY COMPANY

None of director is in receipt of any commission from the company and commission from any holding company or subsidiary company of company. Hence, provisions of section 197 (14) of Companies Act, 2013 are not applicable to the Company.

21. RISK MANAGEMENT

The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and addressed.

The Audit Committee oversees enterprise risk management framework to ensure execution of decided strategies with focus on action and monitoring risks arising out of unintended consequences of decisions or actions and related to performance, operations, compliance, incidents, processes, systems and transactions are managed appropriately. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

22. AUDITORS:

22.1 STATUTORY AUDITOR

The Board of Directors vide Circular resolution dated August 6, 2021, had appointed RMR & Co. Chartered Accountants (Firm Registration No. 106467W) as Statutory Auditors of the Company to fill in the casual vacancy caused consequent to resignation of Talati & Talati LLP Chartered Accountants subject to approval of members at the ensuing Annual General Meeting till conclusion of Annual General Meeting held in the year 2022.

M/s. RMR & Co., Chartered Accountants, has furnished a certificate in terms of the

Act and the Companies (Audit and Auditors) Rules, 2014 and confirmed their eligibility in terms of the provisions of Section 141 and all other applicable provisions of the Act, read with the applicable Rules thereto.

Explanation to Auditor's Remark

The Board has duly reviewed the statutory Auditors Report on the Accounts. The notes forming part of the accounts referred to in the Auditors Report of the Company and statement of impact of Audit Qualifications are self-explanatory and do not call for any further explanation.

22.2 SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Jyoti Dubey and Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith marked as **Annexure IV** to this Report.

The Secretarial Audit Report contain the following non-compliances:

Sr. No.	Details of Non Compliances	Management Remarks
1.	Non submission of Financial Results within prescribed timelines for quarter ended September 20, 2020.	There was delay due to covid 19 Pandemic.
2.	Non submission of Annual Report within the prescribed timeline for period March 31, 2020.	

22.3 COST RECORD AND COST AUDIT

Your company does not fall within the provisions of Section 148 of Company's Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014, therefore no such records required to be maintained.

22.4 INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014 and on the basis of the recommendation of Audit Committee, the Board of Directors in their meeting held on June 25, 2021 had appointed M/s. Anita Choudhari & Company, Chartered Accountants, Mumbai (Membership Number: 102992) as the Internal Auditors of the Company for the financial year 2021-22.

23. REPORT ON PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company has made investment in 8,49,999 equity shares having face value of Rs. 10/- each in Ecoreco Enviro Education Private Limited which constitute 99.99% of total shareholding of the aforesaid Company. Pursuant to section 2(87) (ii) of Companies Act, 2013 Ecoreco Enviro Education Private Limited is a Subsidiary Company. Further Company along with its Audited standalone financial statements have also produced Audited Consolidated Financial results for the year 2020-21 in order to enable its Shareholders to have insight in the working of its Subsidiary Company.

There has been no material change in the nature of the business of the

subsidiary company. Pursuant to Rule 5(1) of the Companies (Accounts) Rules, 2014 the performance and financial position of the subsidiary company and associate company is included for the financial year ended March 31, 2021 as per Form AOC – 1 attached to the this report as **Annexure I**. Further, during the year of report, no Subsidiary/Joint Ventures/Associate were ceased to operate.

Sr. No.	Name of the Company	Subsidiary / Associate
1	Ecoreco Enviro Education Private Limited	Subsidiary

24. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

During the financial year under review, the Company has not entered into any contracts/arrangements/transactions with related parties which could be considered material in accordance with the Company's Policy on materiality of related party transactions. All contracts/arrangements/transactions entered into by the Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis. Accordingly, the disclosure of related party transactions to be provided under section 134(3)(h) of the Act in Form AOC-2 is appended as Annexure II.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <http://ecoreco.com/Uploads/Downloads/Materiality-Policies.pdf>

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, guarantees or investments covered Under Section 186 of the Companies Act 2013 form part of the notes to the financial statements provided in this Annual Report.

26. CORPORATE SOCIAL RESPONSIBILITY

Your company does not fall under the requirements of Section 135 of Companies Act, 2013 for establishing Corporate Social responsibility (CSR) committee; therefore no such committee was established by the Board.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

28. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors is committed to continued improvement in its effectiveness. Accordingly, the Board participated in the annual formal evaluation of its performance. This was designed to ensure, amongst other things, that the Board, its Committees and each Director continue to contribute effectively.

As per Section 134(3)(p) of the Act, a statement indicating the manner in which formal annual evaluation was made by the Board of their performance and that of its Committees and individual Directors, has to be furnished to the Members as part of the Board's Report. Further, the Independent Directors as part of their mandate under Schedule IV of the Act need to make an evaluation of performance of the constituents of the Board apart from their self-

evaluation. Under this process, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, setting out parameters of evaluation; the questionnaire for evaluation are to be filled in, consolidated and discussed with the Chairman. The Board of Directors undertook evaluation of Independent Directors at their meeting held on February 12, 2021 and placed on its record that the Independent Directors have the requisite qualification, expertise and track record for performing their duties as envisaged under the Law, and they add value in the decision making process of the Board.

The criteria for evaluation of performance of Directors, the Board as a whole and the Board's Committee, are summarized in the table given below:

Evaluation of	Evaluation by	Criteria
Non-Independent Director (Executive)	Independent Directors	Transparency, Leadership (business and people), Corporate Governance and Communication
Non-Independent Director (Non-Executive)	Independent Directors	Preparedness, Participation, Value addition, Corporate Governance and Communication
Independent Director	All other Board Members	Preparedness, Participation, Value addition, Corporate Governance and Communication
Chairman	Independent Directors	Dynamics, Leadership (business and people), Corporate Governance and Communication, Strategy
Committees	Board Members	Composition, Process and Dynamics
Board as a whole	Independent Directors	Composition, Process and Dynamics

29. EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with deferential voting rights.

30. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of remuneration of each Director to the median remuneration of the employees pursuant to Section 197 read with Rule 5 of the Companies Act, 2013 are attached to this report as **Annexure III**.

31. VOTING RIGHTS OF EMPLOYEES

During the year under review the company has not given loan to any employee for purchase of its own shares as per section 67(3)(c) of

Companies Act, 2013.

32. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued shares under employee's stock options scheme pursuant to provisions of Section 62 read with Rule 12(9) of Companies (Share Capital and Debenture) Rules, 2014.

33. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of Companies (Share Capital and Debenture) Rules, 2014 during the Financial Year.

34. CORPORATE GOVERNANCE REPORT

Your Company and its Board has been complying with Corporate Governance practices as set out in a separate report in pursuance of requirement of para C of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure**

V. Practising Company Secretary M/s. Jyoti Dubey and Associates, certificate confirming compliance of the Corporate Governance as stipulated under the said Regulations is also attached to this Report.

35. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year under review as stipulated under regulation 34 of the Listing Regulations is set out in a separate Section forming part of this Report.

36. LISTING AT STOCK EXCHANGE

The Equity shares of the Company are listed with BSE Ltd, Mumbai and the listing fee for the year 2020-21 has been duly paid.

37. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risks, as consider necessary by the Management from time to time.

38. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting

as required by Regulation 34(2) (f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2021.

39. DEPOSITORY SYSTEM

Your Company's shares are compulsorily tradable in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories mentioned above.

40. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

41. INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere, hard work, loyal, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year.

42. SEXUAL HARASSMENT

Your Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. During

the year ended March 31, 2021, no complaints have been received pertaining to sexual harassment.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. It may be noted that during the year 2020-21 no grievance / complaint from any women employee was reported.

44. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

The Company has in place adequate

internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

45. SECRETARIAL STANDARDS

The Company has complied with all the applicable secretarial standards issued by The Institute of Company Secretaries of India and notified by the Central Government.

46. ACKNOWLEDGEMENTS

Your Directors place on record their special gratitude to all the Governments and Government Departments, Company's Bankers and all other stakeholders for extending their assistance and co-operation and encouragement to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Customer, Vendors, Employees and all other stakeholders in ensuring an excellent all round operational performance.

**For and on behalf of the Board of Directors
Eco Recycling Limited**

B. K. Soni
Chairman & Managing Director
Mumbai
DIN: 01274250

MANAGEMENT DISCUSSION AND ANALYSIS

- | | | |
|--|--|---|
| <p>1. E-waste Industry and Environment
As we all know that e-waste or WEEE is one of the most hazardous waste streams but at the same time consumption of the electrical & electronic equipment (EEE) continues to rise in our personal & business life. This incremental consumption of EEE, leads to proportionate generation of WEEE. In the recent past, importance of environment has been better understood and it is far clearer that the Cleaner & Greener Environment has no alternate.</p> | <p>hazardous waste is a sign of our immaturity and lack of commitment towards our own health. At Ecoreco, we do understand certain limitations in stricter implementation of the Environment Protection Act and Rules because of lack of other job opportunities for the unorganised workers.</p> | <p>milestones in the coming years. The Company is proud to share that, we are serving some MNCs in more than 100 Countries now and also helping the units located in SEZs & EOU.</p> |
| <p>2. Opportunities and Threats.
The growing consumption of electrical & electronic equipment has a direct co-relation with our socio-economic growth but at the same time improper disposal of this</p> | <p>3. Outlook
The growth of the formal waste & recycling industry has direct relation with the level of implementation of the ESG, EPR & CSR Principles in a Sustained & Transparent Manner by the Producers, Businesses & Government is of the ultimate importance. At Ecoreco, the previous year's performance was very encouraging and the Management is confident of achieving greater</p> | <p>4. Segment-wise or product-wise performance.
Ecoreco is engaged in the business of recycling of e-waste and affiliated services only.</p> <p>5. Risks and concerns.
We do not see any specific risks & concerns except whatever is applicable to any other industry.</p> <p>6. Internal control systems and their adequacy.
The Company has required internal control systems to ensure operational & reporting compliances, well on time.</p> |
| <p>7. The Company's financial performance for the year ended March 2021 was extremely satisfactory</p> | | |

Key Financial Parameters:

Ratio	Formula	2020-21 (Working)	2019-20 (Working)	2020-21 Ratio	2019-20 Ratio
Interest Coverage Ratio	Earnings Before Interest and Taxes (EBIT)	5,89,52,874	2,03,60,025	14.02:1	2.53:1
	Interest Expenses	42,03,099	80,32,299		
Current Ratio	Current Assets	10,06,64,475	9,97,69,424	5.29:1	2.38:1
	Current Liabilities	1,90,24,319	4,17,61,295		
Debt Equity Ratio	Total Liability	11,76,55,680	19,53,77,740	0.60:1	0.96:1
	Shareholders' Equity	19,29,67,500	19,29,67,500		
Net Profit Margin	Net Profit	4,38,03,037	1,12,33,647	0.34:1	0.09:1
	Revenue	12,66,52,374	12,19,47,745		
Return on Net Worth	Net Income	4,38,03,037	1,12,33,647	0.22:1	0.05:1
	Shareholders' Equity	19,29,67,500	19,29,67,500		

- | | | |
|---|--|---|
| <p>8. Material developments in Human Resources / Industrial Relations front, including number of people employed.
The Company is proud of its team members at all levels. It considers manpower as its assets and that the people had been the driving force for the growth of the Company.</p> | <p>The Company provides job role related training to each individual to perform his / her the best to achieve the desired targets set for the Company.</p> | <p>Objective, projections, estimates, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The Company assumes no responsibility in respect of forward-looking statement herein which may undergo changes in future based on subsequent developments, information or events.</p> |
| <p>9. Cautionary Statement
Statement in this report on Management Discussion and Analysis relating to company's</p> | <p>9. Cautionary Statement
Statement in this report on Management Discussion and Analysis relating to company's</p> | |

ANNEXURE - I

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ` Lakh)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Ecoreco Enviro Education Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	85.00
5	Reserves & surplus	(150.32)
6	Total assets	133.01
7	Total Liabilities	198.34
8	Investments	Nil
9	Turnover	10.99
10	Profit before taxation	9.44
11	Provision for taxation	Nil
12	Profit after taxation	9.44
13	Proposed Dividend	Nil
14	% of shareholding	100

Note:-

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



ANNEXURE - II

Form AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Eco Recycling Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2020-21. The Company has laid down policies and processes / procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. **Details of material contracts or arrangement or transactions at arm's length basis:**
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Date(s) of approval by the Board, if any: Not Applicable
 - (f) Amount paid as advances, if any: None

Note: All related party transactions are bench marked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors.

ANNEXURE III

PARTICULARS OF REMUNERATION OF DIRECTORS / KMP

- A) The Information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director / KMP (in Lakhs)	Ratio of Remuneration of each Director/KMP to Median Ratio of Employees
1	Brijkishor Soni	Chairman and Managing Director	60.00	975.61:1
2	Shashank Soni	Director and Chief Financial Officer	24.00	390.24:1
3	Aruna Soni	Executive Director	18.00	292.68:1
4	D T Devale	Non Executive Independent Director	00.50	NA
5	Srikrishna B	Non Executive Independent Director	00.50	NA
6	Giriraj Bhattar	Non Executive Independent Director	0.00	NA
7	Ravi Verma	Non Executive Independent Director	00.20	NA

- B) **NAMES OF THE TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF REMUNERATION DRAWN**

[Information as per Rule 5(2) & (3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Sr. No.	Name of Employee	Designation	Remuneration (Annual) (In lakh)	Date of Joining	Age	Percentage of Equity Shares held in the Company
1	Brijkishor Soni	Chairman and Managing Director	60.00	01-08-94	62	13.32
2	Shashank Soni	Director and Chief Financial Officer	24.00	01-10-13	30	0
3	Aruna Soni	Director	18.00	28-08-98	59	5.28
4	Ashish Pandey	Business Development Manager	06.15	01-05-19	31	0
5	Ipsita Roy	Senior Executive CRM	05.33	16-11-15	29	0
6	Prashant Mittal	Facility Manager	05.01	01-01-16	42	0
7	Bhagyashali Zemse	Senior Executive	04.46	19-02-18	47	0
8	Ishtiyak Shaikh	System Admin	03.47	01-01-16	34	0
9	Jagruti Arolkar	Chief Accountant	03.15	16-10-20	30	0
10	Satish Pujari	Engineer	02.17	26-04-14	34	0

Note:

- None of the Employee of the Company was drawing remuneration of Rs. 8,50,000 p.m or 1,02,00,000 p.a.
- Nature of Employment in all cases as per contract/letter of appointment / resolution and rules of Company.

ANNEXURE IV SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,
The Members,
Eco Recycling Limited
422, The Summit Business Bay,
Opposite Cinemax Theatre,
Andheri Kurla Road,
Andheri (E) Mumbai 400093

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eco Recycling Limited (CIN: L74120MH1994PLC079971)** (Here in after referred to as "the Company").

Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Statutory Registers, 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, 2021 has prima facie complied with the statutory provisions listed hereunder:

I have examined the statutory registers, papers, minutes' books, forms and returns filed and other records maintained by the Company for the

financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable during the audit period;
- (v) The following Regulations and Guidelines prescribed under 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;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2021:

- (a) The Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- (d) 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;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Based on the representation given by the Management of the Company, it is observed that there are no such laws which are specifically applicable to the business of the Company. It is confirmed by the Management that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
- (vii) I have also examined compliance

with the applicable clauses of the following:

- a) The Listing Agreements & SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the Company with the stock exchanges viz., BSE Limited
- b) Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.

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

1. In terms of Regulation 33 3(a), 33 3 (b) the financial results for the quarter ended September 30, 2020 were submitted on 10 December 2020 with a delay of 27 days.
2. In terms of Regulation 34, Annual Report for period ended March 31, 2020 was submitted with a delay 3 days.

I further report that

1. I rely on statutory auditor's reports in relation to the financial statements and comments and accuracy of financial figures for Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, IND AS 24 and note on foreign currency transactions during our audit period.
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Director 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. As per the information provided the company has prima facie given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.
4. As per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as part of the minutes.
5. There are prima facie 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.
6. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
7. During the audit period we have reported that, the company had a specific events like Public/ Preferential issue of shares.
 - The Company had made an application for In-principle approval for issuance of convertible warrants at preferential basis on 26 August 2020. The Company failed to comply with the necessary requirements laid down by SEBI & observations thereof.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the

Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Jyoti Dubey & Associates
ACS No – 64673
COP No – 24221

UDIN: A064673C000658411

Place: Mumbai
Date: 20th July, 2021

Annexure to MR-3

To,
The Members,
Eco Recycling Limited

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

- 1) Maintenance of secretarial records under regulations, circulars and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI ACT) and the Securities Contracts (Regulation) Act, 1956 (SCRA) rules made thereunder and Regulations, circulars and guidelines issued thereunder by SEBI, is the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable

assurance about the correctness of the contents of these records. The verification was done to ensure that correct facts are reflected in the said records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

- 3) We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of SEBI ACT and SCRA, and regulations, circulars and guidelines prescribed thereunder, is the responsibility of management. Our examination was limited to the verification

of documents and records made available to us and explanations provided to us with respect to the practices and processes followed in matters relating to this Report.

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

Jyoti Dubey & Associates
ACS No – 64673
COP No – 24221

UDIN: A064673C000658411

Place: Mumbai
Date: 20th July, 2021



ANNEXURE - V

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2020 - 2021

(Forming part of the Board Report of Eco Recycling Limited)

Corporate Governance is a process to manage the business affairs of the Company towards enhancing business prosperity and accountability with the objective of realizing long term shareholder value. Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Corporate Governance enjoys a commitment of the Company to run the business in legal, ethical and transparent manner emanating from the top and permeating throughout the organization. It involves a set of relationships between the Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors and in establishing productive and lasting business relationship with all stakeholders.

The Equity Shares of the Company are listed and admitted to dealings in BSE Limited,

Pursuant to the provisions of Regulation 34(3) read with Chapter IV and Schedule V and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a report on Corporate Governance for the financial year ended March 31, 2021 is furnished below:

1. COMPANIES PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors, by considering itself as trustee of its shareholders, aims at maximizing shareholders value and protecting the interest of all stakeholders.

Philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all phases of its operation and dealing with its shareholders, employees, lenders, creditors, customers and the government. Your company shall continue to follow the same with a desire for further development on continuous basis.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company has adopted best practices mandated in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS:

The Company is fully compliant with the Corporate Governance norms in respect of constitution of the Board of Directors. The Company's Board represents an optimum mix of professionalism, knowledge and experience. The Board formulates strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Managing Directors are responsible for day-to-day operations of the Company.

Eco Recycling Board of Directors has an ideal composition of Executive and Non-Executive Directors with one Woman Director. Half of the Board consists of Independent Directors. The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors (IDs) to maintain the independence of the Board and separate its functions of governance and management.

As per the declaration received from IDs, all IDs meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 ('the Act') and are abide by the obligations as laid down under Regulation 25 of the Listing Regulations and Schedule IV of the Act. None of the Directors on the Board are Independent Directors of more than seven Listed Companies.

Composition of the Board of Directors as on March 31, 2021 was in accordance with the requirements of Regulation 17 of the Listing Regulations. As per Regulation 26(1) of the Listing Regulations, none of the Directors on the Board is the Member of more than 10 Committees and Chairperson of more than 5 Committees across all the Companies in which they are Directors. The same is also evidenced from the table given below.

Detailed profile of our Directors is available on our website at www.ecoreco.com.

Details relating to the composition of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other Public Limited Companies as on the date of this report are as follows:

a. Composition of the Board of Directors:

The name and category of Director on the Board, the number of Directorship held by them in other Company and numbers of the Committees in which they are the Member are given herein below:

Name of the Director(s) and their DIN	Designation	Category	Name of Listed Entity in which he is director & Category	No. of other Directorships [#]	Committee positions [#]	
					Chairperson	Member
Executive Directors						
Mr. Brijkishor Soni (DIN: 01274250)	Chairman & Managing Director	Promoter	-	-	-	-
Mrs. Aruna Soni (DIN: 01502649)	Executive Woman Director	Promoter	-	-	-	-
Mr. Shashank Soni (DIN: 02083384)	Director	-	-	-	-	-
Non -Executive Directors						
Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Non-Executive Director	Independent	-	-	-	-
Mr. Srikrishna Bhamidipati (DIN: 02083384)	Non-Executive Director	Independent	Avance Technologies Limited - Executive	1	2	-
* Mr. Ravi Varma (DIN: 08762549)	Non-Executive Director	Independent	-	-	-	-
**Mr. Giriraj Bhattar (DIN: 09067018)	Non-Executive Director	Independent	-	-	-	-

*resigned from the Board of Directors of the Company with effect from December 10, 2020.

**Appointed as an Non-Executive Independent Director of the Company in the Board Meeting dated February 12, 2021.

[#]For the purpose of considering the number of other Directorships and Committee positions, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and Companies under section 8 of the Companies Act, 2013 have been excluded. Committee positions considered are only of Audit Committee and Stakeholders' Relationship Committee, including that of the Company.

b. Attendance at Board Meeting and Annual General Meeting:

During the Financial Year 2020-21, 6 Meetings of Board of Directors were held. The dates of Board meeting are as under:

Sr. No.	Date of Meeting	Attendance at the Board Meetings held on					
		Mr. B. K. Soni	Mrs. Aruna Soni	Mr. Shashank Soni	Mr. Srikrishna Bhamidipati	Mr. Dattatraya Trimbak Devale	Mr. Ravi Verma
1	16 th May 2020	Present	Present	Present	Absent	Present	-
2	18 th July 2020	Present	Present	Present	Present	Present	Present
3	25 th July 2020	Present	Present	Present	Present	Present	Present
4	10 th September 2020	Present	Present	Absent	Present	Present	Absent
5	10 th December 2020	Present	Present	Present	Present	Present	-
6	12 th February 2021	Present	Absent	Absent	Present	Present	-

Sr. No.	Date of Meeting	Attendance at the Annual General Meeting held on August 24, 2020					
		Mr. B. K. Soni	Mrs. Aruna Soni	Mr. Srikrishna Bhamidipati	Mr. Shashank Soni	Mr. Ravi Verma	Mr. Dattatraya Trimbak Devale
1	August 24, 2020	Present	Absent	Absent	Present	Present	Present

c. Relationship between the Directors inter-se:

Mr. Brijkishor Soni (DIN: 01274250), Mrs. Aruna Soni (DIN: 01502649) and Mr. Shashank Soni (DIN: 06572759), Directors of the Company, are related with each other (inter-se) within the meaning of the Listing Regulations.

None of the Independent/Non-Executive Directors of the Company has any material pecuniary relationships or transactions with the Company, its promoters, its Directors or its senior management which may affect their independence.

Besides the transactions reported in the Notes to the Accounts for the year, the Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict with the interest of the Company at large.

d. Number of shares of the Company held by Non- Executive Directors as on the date of this Report:

Sr. No.	Name of Director	No. of Shares held	% of Shareholding
1.	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	-	-
2.	Mr. Srikrishna Bhamidipati (DIN: 02083384)	-	-
3.	Mr. Giriraj Bhattar (DIN: 09067018)	-	-

e. Weblink where details of familiarization programmes imparted to Independent Directors is disclosed:

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

The familiarisation programmes aims to provide insight to the Independent Directors to understand the business of the company. A familiarization programme was conducted for non-executive directors on areas such as the core functions of the Company, overview of the industry, financials and the performance of the Company. An overview of

the familiarization programme is placed on the Company's website at http://ecoreco.com/Uploads/Downloads/Familiarization_Programme.pdf

Core area under Familiarization Programme:

- Nature of the Industry in which the Company operates;
- Business model of the Company;
- Risk and Challenges for the Company;
- Changes in Business Environment;
- Strategic discussion and future outlook

f. Meeting of Independent Directors:

In accordance with the provisions of Schedule IV of the Act, a separate meeting of the Independent Directors was held during the year on July 25, 2020 without the attendance of Non-Independent Directors and Members of the Management. At this meeting, the IDs *inter-alia*:

- i. evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole;
- ii. evaluated the performance of the Chairman of the Board taking into account the views of the Executive Director and Non-Executive Directors; and
- iii. assessed the aspects relating to the quality, quantity and timeliness of

the flow of information between the Company, the Management and the Board which is considered necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and the evaluation of the members of Board

g. Board's Functioning & Procedures:

Board members are informed well in advance about the schedule of the Meetings. The Company Secretary in consultation with the Chairman of the Company drafts the agenda for each meeting, along with agenda notes and send the same coupled with the documents related to Agenda at least seven days in advance to all the Directors for facilitating fruitful and focused discussions at the meeting. Every Board member can suggest the inclusion of additional items in the agenda. In order to enable the Board to discharge its responsibilities effectively, the Board reviews the overall Company performance on the basis of functional report placed before it by the Chairman and Managing Director.

The functions performed by the Board, *inter-alia*, include review of:

- Strategy and business plans,

- Annual operating and capital expenditure budgets,
- Quarterly results of the Company,
- Minutes of the Meeting of Audit and other Committees of the Board,
- Information on recruitment and remuneration of senior officers,
- Investment and exposure limits,
- Business risk analysis and control,
- Compliance with statutory/regulatory requirements,
- Review of major legal issues,
- Transaction pertaining to the purchase or disposal of property, major provisions and write offs.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting. Additional meetings are held whenever deemed necessary. At the Board Meetings, the Directors are being provided information as stipulated in Regulation 17(7) of the Listing Regulations in addition to other business items.

h. Board Evaluation:

The Nomination and Remuneration Committee has approved a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of

Directors of the Company.

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors and the performance evaluation of Independent Directors was done by the entire Board of Directors, excluding the Director being evaluated.

The Directors expressed their satisfaction with the evaluation process.

- i. Declaration by the Chairman & Managing Director under regulation 34(3) of the Listing Regulations regarding adherence to the Code of Conduct is forming part of the Report on Corporate Governance.
- j. A Certificate as stipulated under Regulation 17(8) of the Listing Regulations was placed before the Board of Directors and is also forming a part of the report on Corporate Governance.
- k. Detailed reason of resignation of Independent Director: Mr. Ravi Verma (DIN: 08762549) has tendered his resignation with effect from December 10, 2020 due to personal commitments and pre-occupation. Except this there are no other material reasons.
- l. Matrix setting out the skills / Expertise / Competence of Board of Directors is as under:

Name of the Director	Category	Skills /Expertise/ Competence of the Director			
		Technical	Financial	Administrative /HR	Legal
Mr. Brijkishor Soni	Chairman and Managing Director	√	√	√	√
Mrs. Aruna Soni	Executive Director	√	√	√	
Mr. Shashank Soni	Executive Director and CFO	√	√	√	√
Mr. Srikrishna Bhamidipati	Non-Executive Independent Director		√	√	√
Mr. Dattatraya Trimbak Devale	Non-Executive Independent Director	√	√	√	√
Mr. Giriraj Bhattar	Non-Executive Independent Director		√	√	√

3. STATUTORY COMMITTEES OF THE BOARD:

The Company has developed all the necessary Committees of the Board namely:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders Relationship Committee / Shareholders Grievances Committee.

The constitution, terms of reference and the functioning of the above mentioned Committees of the Board is explained herein.

The Board reviews the functioning of these committees from time to time. The Chairman of these Committees conducts the Meetings and also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors and are tabled at the respective Board / Committee Meetings.

I. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015 and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only Independent Directors.

i. Composition of the Audit Committee:-

The Composition of Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulation.

The composition of the Audit Committee as at March 31, 2021 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Audit Committee Meetings held on					
			16.05.2020	18.07.2020	25.07.2020	10.09.2020	10.12.2020	12.02.2021
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)	Chairman-Non-Executive Independent Director	Absent	Present	Present	Present	Present	Present
2	Mrs. Aruna Soni (DIN: 01502649)	Member-Executive Director	Present	Present	Present	Present	Present	Absent
3	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member-Independent Non-Executive Director	Present	Present	Present	Present	Present	Present

The highlights of each of the Audit Committee Meetings were informed to the Board of Directors and discussed in the Board Meeting. All the recommendations made by the Audit Committee during the year were accepted by the Board.

Mr. Srikrishna Bhamidipati (DIN: 02083384), Chairman of the Audit Committee, was not present at the last Annual General Meeting held on Monday, August 24, 2020 to answer the queries of the shareholders.

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Act and Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary of the Audit Committee.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting and its compliance with the legal and regulatory requirements. The Committee oversees the work carried out in the financial reporting process by the Management, the Internal Auditors and the Statutory Auditors and notes the processes and safeguards employed by each of them.

ii. Terms of Reference of the Audit Committee are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement forming part of the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

- b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. Reviewing, with the Management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk Management systems;
 12. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 - a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - b. The vigil mechanism under sub-section (9) of Section 177 of Companies Act, 2013, shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;

19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
21. The Audit Committee shall have powers, which should include the following:
 - a. To investigate any activity within its terms of reference;
 - b. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of Companies Act, 2013, or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
 - c. To seek information from any employee;
 - d. To obtain outside legal or other professional advice;
 - e. To secure attendance of outsiders with relevant expertise, if it considers necessary;
22. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;
23. All Related Party Transactions shall require prior approval of the Audit Committee.
Approval or any subsequent modification of transactions of the company with related parties;
24. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc.), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.
Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.
All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and

the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated to all the Members and confirmed at the subsequent Meeting.

II. NOMINATION AND REMUNERATION COMMITTEE:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Act and the Listing Regulations, as amended from time to time, the scope and the terms of reference of the Nomination and Remuneration Committee have been expended. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Act and the Listing Regulations (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof).

i. Composition, Names of the Chairperson and Members of the Committee and their attendance details:-

Your company has formed this committee to consider and approve the remuneration payable to the directors. The Composition of Nomination and Remuneration Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation.

The composition of the Nomination and Remuneration Committee as at March 31, 2021 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Nomination and Remuneration Committee Meeting held on					
			16.05.2020	18.07.2020	25.07.2020	10.09.2020	10.12.2020	12.02.2021
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)	Chairman-Non-Executive Independent Director	Present	Present	Present	Present	Present	Present
2	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member -Independent Non-Executive Director	Present	Present	Present	Present	Present	Present
3	Mr. Ravi Verma* (DIN: 02515249)	Member -Executive Director	NA	Present	Present	Absent	NA	NA

**resigned as a Director of the Company with effect from December 10, 2020. Thus, he ceased to be the Member of the Nomination and Remuneration Committee.*

Mr. Griraj Bhattar was appointed as Director of the Company with effect from 12 February 2021. Further he was also appointed as the Member of Nomination and Remuneration Committee.

Mr. Srikrishna Bhamidipati (DIN: 02083384), the Chairman of the Nomination and Remuneration Committee, was not present at the last Annual General Meeting held on Monday, August 24, 2020

The purpose of this Committee is to screen and to review individuals qualified to serve as Executive Directors, Non-executive Directors, Independent Directors and Key Managerial Personnel and remuneration to be paid to them in accordance with the Nomination and Remuneration Policy of the Company and recommend to the Board for its approval. The Committee makes recommendations to the Board on candidates for –

- (i) nomination for election or re-election by the shareholders; and
- (ii) any Board vacancies that are to be filled.

It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Management or the Chairman of the Company. It reviews and discusses all matters pertaining to candidates and evaluates the candidates as Director or Key Managerial Personnel. The Nomination and Remuneration Committee co-ordinates and oversees the annual evaluation of the Board and of individual Directors.

ii. Terms of Reference of the Nomination and Remuneration Committee are as follows:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors (Board) their appointment and removal and to carry out evaluation of every director's performance
- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- while formulating the policy as aforesaid, to ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between

fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals, : provided that such policy shall be disclosed in the Board's Report.

- to approve the payment of remuneration as prescribed under Schedule V of the Act
- to determine, review and recommend to the Board, the remuneration of the Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package
- to determine, review and recommend to the Board, the remuneration of the Company's top executives who are one level below the Managing/Joint Managing/Executive Director(s)
- to formulate, implement, supervise and administer the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines
- formulation of criteria for evaluation of independent directors and the Board of Directors
- devising a policy on diversity of the Board of Directors
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent director
- aligning key executive and board remuneration with the longer term interests of the Company and its shareholders

- ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender
- to carry out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities

iii. Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Policy of the Company showcase the appointment criteria and remuneration payable to the Directors of the Company. The remuneration paid to the Directors is broadly based on the criteria such as his/her qualification, experience, profile and his performance. Detailed procedure of performance evaluation is provided under point no. 28 of Board' Report.

The criterion for evaluation of performance of Independent Directors *inter-alia* includes:

- highest Personal and Professional ethics, integrity and values,
- inquisitive and objective perspective, practical wisdom and mature judgment,
- demonstrated intelligence, maturity, wisdom and independent judgment,
- Self-confidence to contribute to Board deliberations and stature such that other board members will respect his or her view,
- the willingness and commitment to devote the extensive time necessary to fulfill his/her duties,
- the ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including willingness to listen and respect the views of others,
- the skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in

a comparable Company or organization, including but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing,

- commitment, including guidance provided to the Senior Management outside of Board/Committee Meetings,
- effective deployment of knowledge and expertise,
- independence of behavior and judgment,
- Maintenance of confidentiality of critical issues.

iv. Nomination and Remuneration Policy:

In terms of Section 178 of the Companies Act, 2013 and as per Listing Regulation, the policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company had been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The policy act as guidelines for determining, inter-alia, qualification, positive attribute and Independence of Director, matters relating to remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE / SHAREHOLDERS GRIEVANCE COMMITTEE:

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of stakeholders' grievances, the Stakeholders' Relationship Committee is constituted. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

a. Composition, Names of the Chairperson and Members of the Committee and their attendance details:-

The Company constituted Stakeholder Grievance Committee, to specifically look into the Redressal of the shareholder's grievances, share transfers and other investor related matters.

The composition of the Stakeholder Grievance Committee as at March 31, 2021 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Stakeholder Grievance Committee Meetings held on				
			16.05.2020	18.07.2020	25.07.2020	10.09.2020	12.02.2021
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)	Chairman- Non-Executive Independent Director	Absent	Present	Present	Absent	Present
2	Mrs. Aruna Soni (DIN: 01502649)	Member- Executive Director	Present	Absent	Present	Present	Absent
3	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member -Independent Non-Executive Director	Present	Present	Present	Present	Present

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

b. Compliance Officer:

FMr. Aniruddha Badkatte, Company Secretary and Compliance Officer of the Company in terms of Regulation 6(1) of the Listing Regulations (*e-mail ID: shareholders@ecoreco.com*). has been entrusted the task of overseeing the Share transfer, transmission, splitting and consolidation of shares and issue of duplicate share certificates done by the R & TA and attending to Grievances of the Shareholders/Investors intimated to the Company directly by the SEBI.

c. The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee includes the following:-

1. Transfer / Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious Redressal of investors' grievances;
5. Non receipt of Annual Report and declared dividend,;
6. All other matters related to shares.

d. Details of the Shareholders' Complaints:

No. of pending complaints as on April 1,2020	0
Number of shareholders' complaints received during the financial year 2020-21	0
Number of complaints not resolved to the satisfaction of shareholders as on March 31, 2021	0
No. of pending complaints as on March 31, 2021	0

The complaints have been resolved in consonance with the applicable provisions of the relevant rules/regulations and acts for the time being in force.

All Share transfers and correspondence thereon are handled by the Company's R & TA viz. M/s. Bigshare Services Private Limited having Registered Office at Bharat Tin Works Building, First Floor ,Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059.

e. Brief description of terms of reference:

The terms of reference of Committee *inter-alia* includes:

- to consider and resolve the grievances of security holders of the Company
- to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders
- to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc.
- to supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- to issue the duplicate share certificate(s) and supervise the process
- to supervise the process relating to consider re-materialization/de-materialization requests
- to oversee the performance of the Company's registrar & share transfer agents
- to implement and monitor the Company's Code of Conduct for Prohibition of Insider Trading in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
- to make recommendations to improve service levels for stakeholders
- to carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities

4. REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY:

(a) Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

During the year none of the Non-executive and Independent Directors was paid any remuneration except sitting fees for attending Board Meetings /Audit Committee Meetings / Nomination and Remuneration Committee Meetings. No Sitting fees are paid for the Stakeholders Relationship Committee / Shareholders' Grievance Committee Meetings.

(b) Disclosures with respect to remuneration:

- (i) Details of remuneration paid to the Executive Directors & Non - Executive Directors for the financial year 2020-21 are as given below:

Name of the Director	Salary	Sitting fees	Total
Mr. B. K. Soni	60,00,000	-	60,00,000
Mrs. Aruna Soni	18,00,000	10,000	18,10,000
Mr. Srikrishna Bhamidipati	-	50,000	50,000
Mr. Shashank Soni	24,00,000	30,000	24,30,000
Mr. Ravi Varma	-	20,000	20,000
Mr. Dattatraya Trimbak Devale	-	50,000	50,000

5. GENERAL BODY MEETING:

- The particulars of the last three Annual General Meetings are as under:

Financial Year	Date of the Annual General Meeting	Venue of the Annual General Meeting	Time of the Annual General Meeting	Details of Special Resolution Passed
2017-2018	15 th September, 2018	422, The Summit Business Bay Opposite Cinemax Theatre, Andheri-Kurla Road, Andheri (E), Mumbai-400 093	11.00 A.M.	Revision of remuneration of Mr. Shashank Soni.
2018-2019	14 th August, 2019	422, The Summit Business Bay Opposite Cinemax Theatre, Andheri-Kurla Road, Andheri (E), Mumbai-400 093	12.00 P.M.	Revision of remuneration of Mr. B K Soni and Mrs. Aruna Soni.
2019-2020	24 th August, 2020	422, The Summit Business Bay Opposite Cinemax Theatre, Andheri-Kurla Road, Andheri (E), Mumbai-400 093	04.00 P.M.	<ol style="list-style-type: none"> 1) Payment of Aggregate Annual Remuneration to Mr. Brijkishor Soni (DIN: 01274250) Promoter-Executive Director / Member of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per section 198 of Companies Act , 2013 2) Re-appointment of Brijkishor Soni as Managing Director 3) Re-appointment of Mr. Dattatraya Devale for second term as Independent Director. 4) *Issuance of fully convertible warrants on preferential basis.

*Board vide circular resolution dated January 27, 2021 canceled special resolution passed for issuance of fully convertible warrants on preferential basis.



- **Extra ordinary General Meeting:**
No Extra ordinary General Meeting of the members was held during the year under review.
- **Details of the Special Resolution passed through Postal Ballot:**
During the year under review, no resolution has been passed through the exercise of postal ballot.

6. MEANS OF COMMUNICATION:

The Company recognizes the importance of two way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issue raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

Some of the modes of communication are mentioned below:

- **Quarterly results:**
Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchanges, where the securities of the Company are listed, immediately after the approval of the Board pursuant to the Listing Regulations requirements and are published in the newspapers.
The financial results are also displayed on the Company's website i.e. www.ecoreco.com
- **Newspapers wherein results normally published:**
The quarterly, half yearly and annual results are communicated to all the members of the Company by publishing the same in English and Marathi National dailies i.e Free Press Journal and Navshakti.
- **Any Website, where displayed**
www.ecoreco.com
- **Whether Website also displays official news releases:**
The Company has maintained a functional website www.ecoreco.com containing basic information about the Company e.g. details of its business,

Directors and also other details as per the requirements of the Listing Regulations and the Act like financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.

- **Presentations made to institutional investors or to the analysts:**

No presentations were made to any institutional investors or analysts during the financial year 2020-21.

7. GENERAL SHAREHOLDERS INFORMATION:

I. Details of the Annual General Meeting for the financial year 2020-2021:

- **Date:** 27th September, 2021
- **Day:** Monday
- **Time:** 11.00 AM
- **Venue:** Through Video Conferencing.

The Company shall also provide facility of e-Voting for the ensuing Annual General Meeting of the Company.

II. Financial Year 2020- 2021:

III. Dividend:

During the year, Company has not declared any dividend.

IV. Name and address of stock exchanges at which the Company's securities are listed and confirmation about payment of annual listing fees to each of stock exchanges:

The Company's equity shares are listed on the BSE Ltd. (BSE) - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Company has paid the applicable annual listing fees to BSE.

V. Stock code :

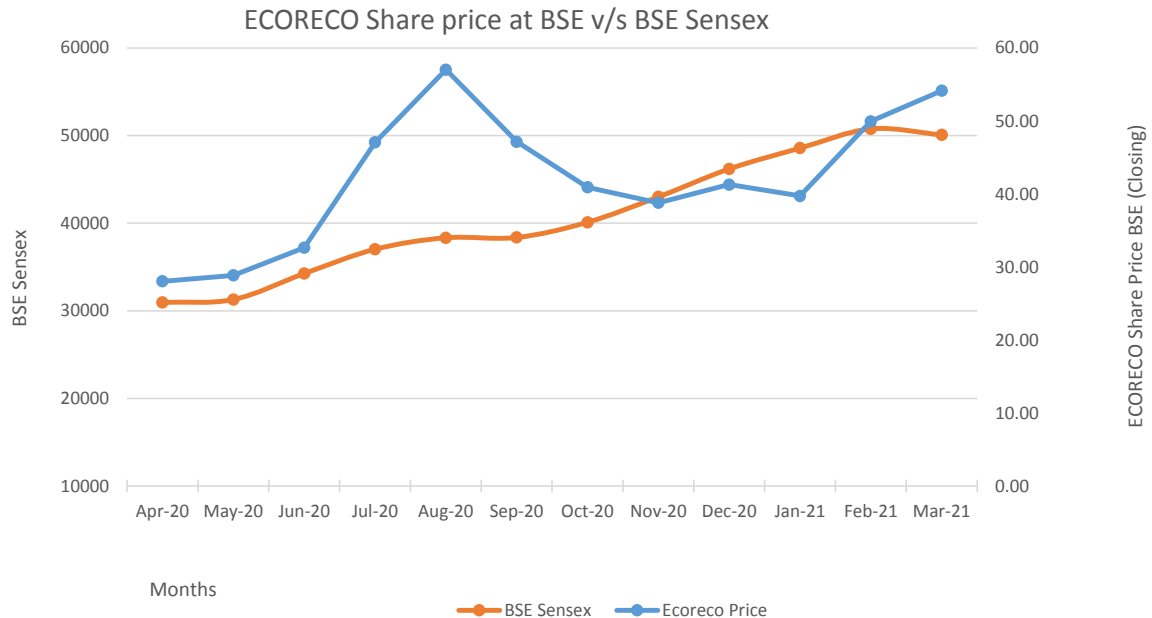
BSE Scrip Code	530643
ISIN Number for NSDL & CDSL	INE316A01038

VI. Market Price Data: High / Low price during each Month of 2020-21 on The Bombay Stock Exchange Limited and BSE Sensex are as under:

Price is ₹

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty. to Traded Qty.	Spread High-Low	Spread Close-Open
Apr-20	22.50	36.35	20.10	31.00	56717	418	1459004	42566	75.05	16.25	8.50
May-20	29.45	32.00	25.75	28.00	14572	130	415599	14477	99.35	6.25	-1.45
Jun-20	29.20	44.70	25.75	42.55	51001	516	1788410	43916	86.11	18.95	13.35
Jul-20	42.55	54.90	40.00	53.45	68730	1238	3241299	67685	98.48	14.90	10.90
Aug-20	56.00	62.95	53.05	57.50	141071	1909	8289127	101644	72.05	9.90	1.50
Sep-20	59.00	59.90	39.30	46.60	126889	1020	6058335	60771	47.89	20.6	-12.40
Oct-20	48.30	49.15	38.15	39.40	232251	1214	9672098	109124	46.99	11.00	-8.90
Nov-20	40.00	42.45	37.10	38.60	206620	1074	7994970	102289	49.51	5.35	-1.40
Dec-20	40.50	53.95	36.80	39.90	269878	3042	11320661	144597	53.58	17.15	-0.60
Jan-21	38.70	42.30	34.30	38.10	58976	1088	2362294	40736	69.07	8.00	-0.60
Feb-21	39.00	71.75	38.20	49.15	839630	7644	46225659	454018	54.07	33.55	10.15
Mar-21	49.60	67.50	45.05	57.00	497582	3826	28036183	270629	54.39	22.45	7.40

VII. Share Performance Chart of the Company in Comparison to BSE Sensex:



VIII. In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading

VIII. Registrar to Issue and Share Transfer Agent :

- Registrar and Share Transfer Agent:

M/s. Bigshare Services Private Limited

Address: Bharat Tin Works Building, First Floor, Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai - 400 059

Tel No.: 91 22 28470652/53 | **Fax No.:** 91 22 28475207

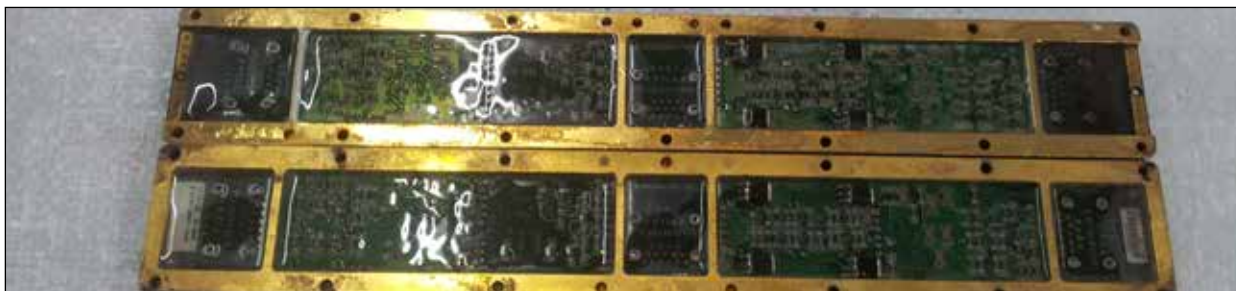
Email: investor@bigshareonline.com | **Web:** www.bigshareonline.com

- Share Transfer System:**

The Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission, etc. of the securities of the Company to the R & TA. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified under the Listing Regulations and applicable provisions of the Act. The Company has obtained certificates on half yearly basis from the Practicing Company Secretary, certifying due compliance with the formalities of share transfer as required under regulation 40 of the Listing Regulations and submitted a copy of the certificate to the Stock Exchanges where the securities of the Company are listed.

- Distribution of Shareholding as on March 31, 2021:**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
0001 - 5000	3673	86.83%	4,56,34	2.36%
5001 - 10000	286	6.76%	1,908,21	0.99%
10001 - 20000	135	3.19%	1,772,70	0.92%
20001 - 30000	38	0.89%	9,30,91	0.48%
30001 - 40000	21	0.49%	71,74	0.37%
40001 - 50000	8	0.18%	37,261	0.19%
50001 - 100000	33	0.78%	2,462,53	1.28%
100001 and above	36	0.85%	1,80,239,49	93.40%
TOTAL	4230	100%	1,92,96,750	100%



- **Dematerialization of shares and liquidity:**

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2021, 97.94% of the total Subscribed and Fully Paid-up equity share capital comprising of 18,899,632 equity shares of the Company are in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form as per the notification issued by the Securities and Exchange Board of India.

- **Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on Equity:**

Not Applicable as there were no outstanding ADRs or GDRs, Warrants or any Convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:**

Not applicable.

- **Location of Plant:**

Eco House, Near Range office, Bhoidapada, Sativali Road, Vasai (East), Palghar.

- **Address of the Company:**

Eco Recycling Limited

422, The Summit Business Bay,
Near WEH Metro Station, Andheri - Kurla Road,
Andheri (East), Mumbai-400 093

Tel. No.: +91 22 4005 2951/52/53

Fax No.: 91 -22 40052954

Email: info@ecoreco.com

accounts@ecoreco.com

shareholders@ecoreco.com

Web: www.ecoreco.com

- **Nomination Facility for Shareholding:**

As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.

- **Payment of Dividend through Electronic Clearing Service:**

The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.

- **Correspondence regarding Change in Address:**

Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited, Bharat Tin Works Building, First Floor, Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai - 400 059, Tel No.: 91 22 28470652/53 Fax No.: 91 22 28475207

Email: investor@bigshareonline.com

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

Not Applicable

8. OTHER DISCLOSURE:

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are entered into by the Company are based on business exigencies and are intended to further the Company's interests. The company has formulated a policy on Related Party Transaction and the said policy is uploaded on website of company. (<http://ecoreco.com/download-policies.aspx>)

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

Due to non-compliance with regards to composition of Board of Directors for quarter ended June 30, 2019 company was liable to pay fine of Rs, 214760.

Due to non submission of the financial results within the prescribed period for quarter and half year ended September 30, 2020 company was liable to pay fine of Rs. 1,59,300.

Due to non submission of the Annual Report within prescribed time line for period March 31, 2020 company was liable to fine of Rs. 7080.

- **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has a Vigil Mechanism cum Whistle Blower Policy in place, details of which have been furnished in the Board's Report. The Board of Directors affirms and confirms that no personnel have been

denied access to the Audit Committee.

- **Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:**

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations. Though, the Company does not comply with some of the non-mandatory requirements on date, the Company is committed towards complying with as a whole and will take suitable measures as and when possible. The status of compliance with the non-mandatory requirements of this clause has been detailed below.

- **Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

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

Not applicable since the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

- **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

Rs. 250000/-

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

9. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:

The Company has complied with the requirements of corporate governance report of sub paras (2) to (10) of Clause (C) of the Schedule V of the Listing Regulations.

10. ADOPTION OF THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF THE SCHEDULE II OF THE LISTING REGULATIONS:

a) The Board

The Company has an Executive Chairman and hence, the requirement pertaining to reimbursement of expenses to a Non - Executive Chairman does not arise.

b) Shareholder Rights

The Company's quarterly/half-yearly/annual results are furnished to the Stock Exchanges, also published in the newspapers and also displayed on the website of the Company and therefore results were not separately sent to the Members. Quarterly/half-yearly/

annual results of the Company are displayed on the website of the Company at the link <http://ecoreco.com/investor-financial-results.aspx>

c) Modified opinion(s) in audit report

The Company has received a modified opinion in the Auditors' Report for the financial year 2020-21:

d) Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

11. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The details of the compliance of Regulations 17 to 27 of the Listing Regulations are given in this Corporate Governance Report. Further, the Company has uploaded the documents/details mentioned in the clauses (b) to (i)

of sub-regulation (2) of Regulation 46 of the Listing Regulations on its website at www.ecoreco.com

By Order of the Board of Director
B. K. Soni
Chairman & Managing Director
DIN: 01274250

24th August 2021



CEO AND CFO CERTIFICATION
Under Regulation 17(8) of (Listing Obligations and Disclosure Requirements)
Regulations, 2015 for Financial Year Ended 31st March, 2021

The Board of Directors
Eco Recycling Limited
Mumbai

Dear Members of the Board,

We Mr. Brijkishor Soni, Chairman & Managing Director and Mr. Shashank Soni, Director & Chief Financial Officer of Eco Recycling Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2021 and that to the best of their knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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) We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- i. There were no significant change in internal control over financial reporting during the year.
 - ii. There were no significant change in accounting policies during the year under review.
 - iii. There were no instance of any fraud in the company in which the management has any role in the Company's internal control system over financial reporting.

For Eco Recycling Limited

Brijkishor Soni
Chairman & Managing Director

For Eco Recycling Limited

Shashank Soni
Director & Chief Financial Officer

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 I hereby confirm that, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for Directors and Senior Management.

For Eco Recycling Limited

Brijkishor Soni
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE
SECRETARIAL AUDITORS CERTIFICATE REGARDING
COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE REPORT
AS PRESCRIBED UNDER SEBI (LODR), REGULATION, 2015.

To
The Members,
Eco Recycling Limited

We have examined the compliance of conditions of Corporate Governance by Eco Recycling Limited (hereinafter referred as “Company”) for the Financial Year ended March 31, 2021 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”).

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our

examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations except as mentioned herein:

1. During the FY 2020-21, the Company was been levied with a fine of Rs. 7,080/- under Regulation 34 for Non-submission of the Annual Report within the period prescribed under this regulation for the period March 31, 2020, which was paid by the Company after regularising the noncompliance. This delay was because of prevailing situation of Covid 19.
2. During the FY 2020-21, the Company was been levied with a fine of Rs. 1,59,300/- under Regulation 33 for Non-submission of the financial results within the period prescribed under this regulation for the period September 30, 2020, This delay was because of prevailing situation of Covid 19 a global phenomena & lockdown in the state of Maharashtra.

3. The Company had made an application for In-principle approval for issuance of convertible warrants at preferential basis on 26 August 2020. The Company failed to comply with the necessary requirements laid down by SEBI & observations thereof. Company’s lock-in securities was released on January 28, 2021 & 2 March 2021 date respectively.

We further state that during the audit period following were the specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Compliance with regard to the appointment of Company Secretary: There was a resignation of Company Secretaries Mr. Anand Dubey & Ms. Khushboo Hanswal w.e.f. 04/05/2020 & 25/03/2021 respectively and the appointment of Company Secretary Mr. Anirudhha Badkatte was made w.e.f. 25/06/2021.

Compliance with regard to the appointment of Chief Financial Officer:

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 of
Eco Recycling Limited
Mumbai.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Eco Recycling Limited having CIN L74120MH1994PLC079971 and having registered office at Unit No.422, 4th Floor, The Summit Business Bay, Near Cine Max Theater, Andheri Kurla Road, Andheri (E), Mumbai - 400093. (here in after referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 has 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,

Sr. No.	Name of Director	DIN	Date of Appointment
1	Brijkishor Kishangopal Soni	01274250	01/08/1994
2	Aruna Soni	01502649	28/08/1998
3	Srikrishna Bhamidipati	02083384	13/07/2019
4	Shashank Soni	06572759	01/10/2013
5	Dattatraya Trimbak Devale	07186290	16/05/2015
6	Giriraj Shankarlal Bhattar	09067018	12/02/2021
7	*Ravi Verma	08762549	16/05/2020

*Mr. Ravi Verma resigned from the Board of Directors of the Company w.e.f 10 December 2020.

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

Place: Mumbai
Date: 13th July, 2021

Signature
Jyoti Dubey & Associates
UDIN: A064673C000627664
Membership No. 64673
COP No. 24221

INDEPENDENT AUDITOR'S REPORT

To
The Members of
 Eco Recycling Limited
Report on the Standalone Ind AS
Financial Statements
Qualified Opinion:

We have audited the accompanying standalone Ind AS financial statements of **M/s Eco Recycling Limited** ("the Company"), which comprises of the Balance Sheet as at **31st March 2021**, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and a summary of the 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, except for the effects of the matters described in the Basis for Qualified Opinion, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at **31st March 2021** and its financial performance (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

The company has entered into a lease agreement for its factory premises

in May 2020. The company has not recognized lease liability in accordance with the Indian Accounting Standards (IND AS) 116 Leases and has continued to treat the said lease agreement as an operating lease as per IND AS 17 Leases.

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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matter described in the Emphasis of Matter Paragraph we have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

We draw attention to the following notes in the standalone Ind AS financial statements annexed to the auditor's report

- 1 Note No.6 to the financial statements, Non Current Security Deposits.

The company has not done any fair valuation of its financial assets and financial liabilities as it believes that the carrying amounts of these financial assets and financial liabilities approximate their fair values and that the impact of change, if any, on account of fair valuation these financial assets and financial liabilities, will be insignificant.

2. Note No. 8 to the financial statements, Capital advances.

The company has a pending legal dispute with M/s KUD Realtors Pvt. Ltd relating to the transfer of assets purchased in favour of the company. As at 31st March 2021, the company has paid amount of Rs. 1,93,08,133 as advance for purchase of the assets. As at the date of this report, the final outcome of the legal proceedings is pending.

3. Note No. 14 to the financial statements, unsecured borrowings from DSIR

The Company was granted funds of Rs 900 lacs by DSIR, for a project of "E-Waste Recycling and Precious Metal Recovery" and as per the

original terms of the disbursement, the loan by DSIR, was to be repaid on the successful commercialisation of the project. According to the information and explanations given to us, the dispute between the Company and DSIR over the repayment of the loan from DSIR is now pending before the Delhi High Court. The grant received from the DSIR is presented in the financial statements as at 31st March 2021, at its original transaction amount.

4. Note No. 8 and 33 to the financial statements, Receivables from Keynote Capital Limited

An amount of Rs 2,35,16,348 is receivable from M/s Keynote Capital Limited (Keynote), by the company, on account of share transactions misappropriated by the Keynote Capital Limited. As on the date of this report, the matter is pending for its final outcome before the Bombay High Court.

Our opinion is however not qualified in respect of the above matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we

do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments

and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance on 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 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 scepticism throughout the audit. We also:

1. 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 may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 entity'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 auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

5. 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.

For matters communicated with those charged with governance, we determine those matters that were most significant 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 disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the 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 it appears from our examination of those books.
 - c) The Balance Sheet, the

Statement of Profit and Loss including other Comprehensive income, the statement of cash flow dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with relevant rules thereunder.
- e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

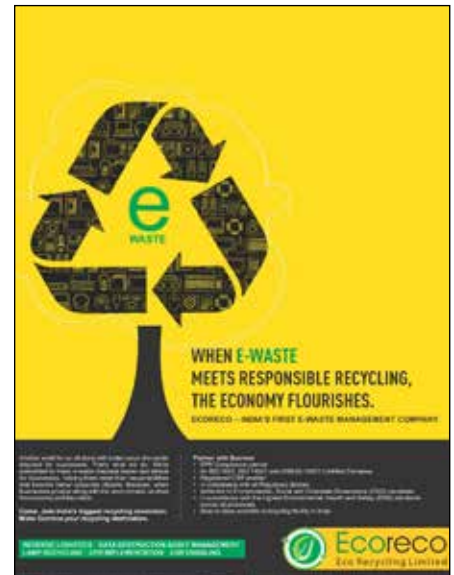
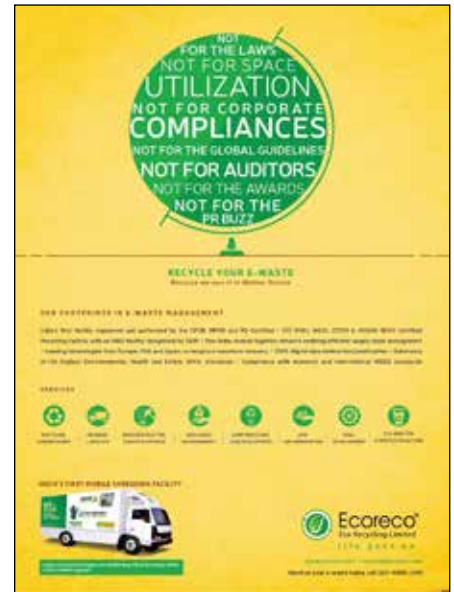
h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

- i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements. Refer Note Nos. 33 and 34 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contract having material foreseeable losses for which provision was required to be made under the applicable law or the accounting standards.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Talati and Talati LLP**
Chartered Accountants
Firm Registration No.: 110758W/
W100377

Bhaskar R. Iyer
Partner
Membership No.: 127863

Mumbai
25th June, 2021
UDIN: 21127863AAAAET5241



“ANNEXURE A” TO THE INDEPENDENT AUDITOR'S REPORT

Referred to paragraph 3 of our “Reporting on Other legal and Regulatory Environment” on even date, we report that:

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us the fixed assets are being physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
 - (c) As explained to us, the title deeds of immovable properties were held in the name of the company.
- (ii) As reported to us, the physical verification of inventories is done by the management at regular intervals and no material discrepancies considering the size of operations of the company were noticed.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted loans secured or unsecured to entities covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly reporting under clause 3(iii) of the Order is not applicable to the company.
- (iv) In our opinion and according to information and explanations given to us, in respect of loans, investments, and guarantees made the company has complied with Sections 185 and 186 of the Companies Act 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under with regard to acceptance of deposits are not applicable to the company. Accordingly, reporting under clause 3(v) of the Order is not applicable to the company.
- (vi) The cost records are not required to be maintained under section 148(1) of the Companies Act 2013, as prescribed by the Central Government. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the company.
- (vii) In respect to payment of statutory dues:
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Service Tax, Cess, Professional Tax and any other statutory dues with the appropriate authorities.
 - (b) The details of undisputed statutory dues as referred to above as at 31st March 2021 outstanding for a period of more than 6 months from the date they became payable is as given below:

Name of statute	Nature of Dues	Amount in Rs.	Period to which amount relates	Due date	Date of Payment
Income Tax	TDS on interest	204269	April 20 to August 20	7th of subsequent month	-
 - (c) According to the information and explanation given to us, there are no disputed statutory dues that have not been deposited as on 31st March 2021.
- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not delayed in the repayment of dues to banks and financial institutions.

- (ix) In our opinion and according to information and explanations given to us, the term loans have been applied for the purposes for which they were raised. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- (x) Based on our audit procedures and according to the information and explanations given to us, there has been no fraud by the company or on the company by its officers or employees, noticed or reported during the year.
- (xi) The company has paid managerial remuneration during the year in accordance with the requisite approvals for payment of managerial remuneration mandated by Section 197 read with Schedule V of the Companies Act 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, the transactions with the related party are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Note No.37 to the standalone Ind AS financial statements as required by the applicable Indian accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or other persons connected with the directors. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.



“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s Eco Recycling Limited** (“the Company”) as of 31st March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 conducted 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, 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 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

standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the stand alone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting

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

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

Opinion

In our opinion, and to the best of our information and according to explanations given to us on the various aspects of Internal Financial Controls over Financial reporting for the period covered by this audit, the same which is being documented in the form of a Risk Control Matrix (RCM), the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as

at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Talati and Talati LLP
Chartered Accountants
Firm Registration No.: 110758W/
W100377

Bhaskar R. Iyer
Mumbai Partner
25th June 2021 Membership No.:
127863
UDIN: 21127863AAAAET5241



Ecoreco invites NGOs to work for an e-waste free world.

Ecoreco, the pioneer in e-waste management in India, is determined to make safe and secure e-waste disposal a habit across the nation. To make more and more people participate in this initiative, Ecoreco invites NGOs to join hands for effective e-waste management.

This initiative by Ecoreco will result in an e-waste free earth and make NGOs self sustainable. **NGOs assisting in Corporate Social Responsibility are preferred.**
To play your part and submit your application, please visit: www.ecoreco.com.

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS - (STANDALONE)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]			
(₹ In lacs)			
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	1,848	1,848
2.	Total Expenditure	1,300	1,300
3.	Net Profit/(Loss)	438	438
4.	Earnings Per Share	2.27	2.27
5.	Total Assets	4,504	4,504
6.	Total Liabilities	1,177	1,177
7.	Net Worth	3,327	3,327

II. Audit Qualification

a. Details of Audit Qualification:

The company has entered into a lease agreement for its factory premises in May 2020. The company has not recognized lease liability in accordance with the Indian Accounting Standards (IND AS) 116 Leases and has continued to treat the said lease agreement as an operating lease as per IND AS 17 Leases.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of Qualification: First Time

d. For Audit Qualification where the impact is quantified by the auditor, Management's Views: Not Applicable.

e. For Audit Qualification where the impact is not quantified by the auditor:

(i) **Management's estimation on impact of audit qualification:** - NIL

(ii) **If management is unable to estimate the impact, reasons for the same:**

The Company has taken on lease the factory premise in May 2020. The impact of the audit qualification cannot be quantified at this point of time but there is no material impact on the operations of the Company.

(iii) **Auditors comments on (i) or (ii) above:** No Comments

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note	As At March 31, 2021	As At March 31, 2020
A ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	4	21,64,95,765	21,86,07,864
(b) Intangible assets		-	-
(c) Capital Work in Progress		-	-
(d) Financial Assets			
(i) Investments	5	3,19,71,010	2,09,82,633
(ii) Trade Receivables		-	-
(iii) Loans	6	4,65,00,000	4,65,00,000
(iv) Other financial assets	7	42,20,597	39,94,969
(e) Deferred Tax assets(net)		-	-
(f) Other Non Current assets	8	5,05,35,882	5,00,47,432
Total Non-Current Assets		<u>34,97,23,253</u>	<u>34,01,32,897</u>
(2) Current Assets			
(a) Inventories	9	2,19,69,705	2,68,81,165
(b) Financial Assets			
(i) Investments	5	5,11,53,577	1,79,52,813
(ii) Trade receivables	10	1,09,60,255	2,41,50,759
(iii) Cash and cash equivalents	11	35,70,224	2,19,406
(iv) Bank balances other than (iii) above		-	-
(v) Loans	12	67,91,553	33,94,258
(vi) Other financial assets		-	-
[c] Other current assets	13	62,19,161	3,60,50,258
Total Current Assets		<u>10,06,64,475</u>	<u>10,86,48,659</u>
Total Assets		<u>45,03,87,728</u>	<u>44,87,81,557</u>
B EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	1	19,29,67,500	19,29,67,500
(b) Instruments entirely equity in nature		-	-
(c) Other Equity	1	13,97,64,548	6,04,36,317
Total Equity		<u>33,27,32,048</u>	<u>25,34,03,817</u>
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	9,25,00,000	13,63,84,285
(ii) Trade Payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	15	8,96,917	6,72,672
(c) Deferred tax liabilities (Net)	16	52,34,444	83,52,924
(d) Other non current liabilities		-	-
Total non-current liabilities		<u>9,86,31,361</u>	<u>14,54,09,881</u>
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	15,00,000	1,93,50,596
(ii) Trade payables	18	6,83,330	23,15,947
(iii) Other financial liabilities	19	18,13,991	95,95,208
(b) other current liabilities	20	25,11,793	1,33,78,580
(c) Provisions	21	1,25,15,205	53,27,529
Total equity and liabilities		<u>45,03,87,728</u>	<u>44,87,81,557</u>

See accompanying notes forming part of the financial statements

For Talati & Talati LLP
Chartered Accountants
 Firm Registration No. 110758W / W100377

Bhaskar R Iyer
 Partner
 Membership No.: 127863
 Mumbai | 25th June, 2021

B. K. Soni
 Managing Director
 DIN: 01274250

Shashank Soni
 Director & Chief Financial Officer
 DIN: 06572759

Aniruddha Badkatte
 Company Secretary

For and on behalf of the Board of Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Note No.	Year Ended March 31 2021	Year Ended March 31 2020
I INCOME			
(a) Revenue from operations	22	12,66,52,374	12,19,47,745
(b) Other income	23	5,81,42,904	1,01,28,037
Total Income		<u>18,47,95,278</u>	<u>13,20,75,782</u>
II EXPENSES			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade	24	3,75,98,400	4,01,24,438
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	45,75,668	18,53,462
(d) Employee benefits expense	26	1,87,29,571	1,41,82,258
(e) Finance costs	27	42,03,099	80,32,299
(f) Depreciation, amortisation, impairment expense	4	46,81,636	46,54,527
(g) Other expenses	28	6,02,57,128	5,09,01,072
Total Expenses		<u>13,00,45,503</u>	<u>11,97,48,057</u>
III Profit / (Loss) before exceptional items		<u>5,47,49,775</u>	<u>1,23,27,726</u>
IV Exceptional items		-	-
V Profit / (Loss) before tax		<u>5,47,49,775</u>	<u>1,23,27,726</u>
VI Tax expense:			
(a) Current tax		88,83,968	18,25,250
(b) Deferred tax		20,62,770	(7,31,171)
		<u>1,09,46,738</u>	<u>10,94,079</u>
VII Profit / (Loss) for the year		<u>4,38,03,037</u>	<u>1,12,33,647</u>
VIII Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or loss			
(i) Measurement of employment defined benefit plans		(3,93,288)	(3,93,288)
(ii) Fair value changes of equity instruments		3,09,18,364	(1,67,13,248)
(iii) Revaluation of property, plant and equipment		-	-
(b) Income tax relating to items in (a) above		<u>51,81,250</u>	<u>44,47,699</u>
Total Other Comprehensive Income (Net of Tax)		<u>3,57,06,326</u>	<u>(1,26,58,837)</u>
IX Total Comprehensive Income for the period		<u>7,95,09,363</u>	<u>(14,25,190)</u>
X Earnings Per Share (Rs 10 per share fully paid up)			
(a) Basic		2.27	0.61
(b) Diluted		2.27	0.61

See accompanying notes forming part of the financial statements

For Talati & Talati LLP

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner

Membership No.: 127863

Mumbai | 25th June, 2021

B. K. Soni

Managing Director

DIN: 01274250

Shashank Soni

Director & Chief Financial Officer

DIN: 06572759

Aniruddha Badkatte

Company Secretary

For and on behalf of the Board of Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash Flow from Operating Activities		
Net Profit before tax	5,47,49,775	1,23,27,726
<u>Adjustments for Non cash and other items:</u>		
Depreciation and amortisation	46,81,636	46,54,527
Interest / Dividend on investments considered in investing activities	(13,98,387)	(5,34,544)
Finance Cost considered in financing activities	42,03,099	80,32,299
Sundry balances written back	-	-25,87,413
Sundry balances written off	2,05,64,337	-
Loss on equity investments	39,86,108	1,39,07,220
Provision for Gratuity	3,24,245	3,24,245
Profit on sale of investments	(1,17,35,582)	-
Total	2,06,25,456	2,37,96,335
Operating profit before working capital changes	7,53,75,231	3,61,24,060
<u>Adjustments for:</u>		
(Increase) / Decrease in Inventories	-	-
(Increase) / Decrease in Trade Receivables	(73,73,834)	1,80,10,783
(Increase) / Decrease in Loans and Other Financial Assets	(33,68,167)	(36,20,388)
(Increase) / Decrease in Other Current and Non Assets	3,13,63,823	(79,59,883)
Increase / (Decrease) in Other Non Current Liabilities	(75,72,468)	-
Increase / (Decrease) in Other Trade Payables	(16,32,617)	3,76,963
Increase / (Decrease) in Other Financial Liabilities	(2,08,749)	11,45,052
Increase / (Decrease) in Other Current Liabilities	(1,23,14,791)	1,20,77,687
Total	7,42,68,429	5,61,54,274
Less: Income tax paid (net of refunds)	(22,75,932)	(11,48,597)
Cash generated from Operating Activities (I)	7,19,92,497	5,50,05,678




CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash Flow from Investment Activities		
Inflows		
Sale of assets	-	-
Sale of investments		
Interest on investments	13,98,387	5,34,544
Outflows		
Purchase of fixed assets	(25,69,537)	(51,44,090)
Purchase of equity investments (NET)	(15,32,550)	(3,07,44,743)
Capital Advances	-	(21,095,615)
Cash generated from Operating Activities (II)	(27,03,700)	(3,53,54,288)
Cash Flow from Financing Activities		
Inflows		
Borrowings		1,93,51,584
Outflows		
Finance cost	(42,03,099)	(80,32,299)
Repayment of borrowings	(6,17,34,880)	(3,09,54,870)
Cash generated from Financing Activities (III)	(6,59,37,979)	(1,96,35,586)
Net Increase / (Decrease) Cash and Cash Equivalents	33,50,818	15,802
Add: Cash and cash equivalent at the beginning of the year	2,19,406	2,03,603
Cash and Cash Equivalent at the End of the Year	35,70,224	2,19,405
Cash and Cash Equivalent as above comprises of:		
Cash on Hand	20,630	10,904
Balances with banks	35,24,306	1,84,752
Bank deposits	25,288	23,750
	35,70,224	2,19,406

For Talati & Talati LLP

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner

Membership No.: 127863

Mumbai | 25th June, 2021

B. K. Soni

Managing Director

DIN: 01274250

Shashank Soni

Director & Chief Financial Officer

DIN: 06572759

Aniruddha Badkatte

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

Note No.1: Equity Share capital

(A) Equity Share Capital	2020-2021		2019-20	
	No. of Shares	Amount	No. of shares	Amount
Opening Equity Share Capital	1,92,96,750	19,29,67,500	1,75,42,500	17,54,25,000
Add: Increase during the year			17,54,250	1,75,42,500
Less: Reduction during the year	-	-	-	-
As at March 31, 2021	1,92,96,750	19,29,67,500	1,92,96,750	19,29,67,500

(B) Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income				Total
	Capital Reserves	Securities Premium	General Reserves	Retained Earnings	Revaluation of Fixed assets	Equity Instruments FVTOCI	Remeasurement of Employee benefits	Other OCI items	
Balance as at April 01, 2020	3,51,15,495	8,08,57,500	1,57,130	(7,91,72,295)	6,15,89,573	(2,41,33,880)	(4,55,276)	(1,37,03,062)	6,02,55,185
Profit for the year	-	-	-	4,38,03,037	-	-	-	-	4,38,03,037
Other Comprehensive income for the year	-	-	-	-	-	3,09,18,364	(3,93,288)	51,81,250	3,57,06,326
Transfer to retained earnings	-	-	-	(1,17,35,582)	-	1,17,35,582	-	-	-
Balance as at Mar 31, 2021	3,51,15,495	8,08,57,500	1,57,130	(4,71,04,840)	6,15,89,573	1,85,20,066	(8,48,564)	(85,21,812)	13,97,64,548




NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

2 Corporate Information

The Company was incorporated on August 01, 1994 having CIN No. L74120MH1994PLC079971, at Mumbai under the Companies Act, 1956. The Company is engaged in the business of recycling of electrical & electronic waste (e-waste), data-destruction, recycling of fused lamps, providing services relating to extended producers' responsibility, corporate social responsibility and other affiliated activities.

3 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

i. Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The Financial Statements are presented in INR and all values are rounded off to the nearest

lakhs (INR 00,000), unless otherwise stated

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Defined Benefit Plans - Plan assets measured at fair value.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Operating segment

As the Company is operating only in one business segment i.e. operation of e-waste recycling business in organised manner, the requirement to give segment reporting as per Ind-AS Accounting Standard 108 on Operating Segment issued by the Institute of Chartered Accountants is not applicable.

Use of Accounting Estimates

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of incomes and expenses for the periods presented.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of significant assets, such as property, plant & equipment.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

c. Revenue recognition

The Company derives revenues primarily from purchase of e-waste Scraps, segregates and accordingly sell it to the concerned customers. The Company also provides Data Destruction Services as a part of the services. The Company also

receives income from Share trading, Membership Fees and Interest Income apart from above key goods and services rendered.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. As the nature of the business, The Company does not have a policy of Sales Return and hence, does not have any accountability for products to be returned or defective services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied. Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

d. **Income tax:**

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent

that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other

comprehensive income or directly in equity respectively.

e. **Non-current assets held for sale/ distribution to owners and discontinued operations**

The Company classifies non-current assets and disposal Company as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Company is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Company), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal Company are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and: Represents a separate major line of business or geographical area of operations,

- Is part of a single co-ordinated plan to dispose of a separate

major line of business or geographical area of operations Or

- Is a subsidiary acquired exclusively with a view to resale
Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

f. Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated

useful lives and Residual Value

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

Asset Class	Useful life
Plant & Equipment	15 years
Furniture & fixtures	10 years
Office equipment	5 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

g. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

h. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i. Provisions and contingent liability

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end

of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present

Value of those cash flows (when the effect of the time value of money is material).

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

j. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term

deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

k. Employee benefits

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Superannuation, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

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

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an

expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months

after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

I. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

m. 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.

n. Financial assets

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

o. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

p. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

b) Financial assets that are equity instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment

loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the

contractual terms As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

q. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings,

payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

r. Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s. Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

t. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of work in progress and finished goods comprise of purchase cost, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined using the weighted average basis.

Net realisable is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

u. Finance cost

Finance cost includes interest expense on borrowings calculated using the effective interest rate (EIR) method.

The entity capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. All other borrowing costs is recognised as an expense in the period in which incurred.

Recent Accounting Pronouncement

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases

for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

Standards issued but not yet effective

There are no standard that are issued but not yet effective on 31st March, 2020.

Critical estimates and judgements

The preparation of financial statements requires the use of

accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial Statements.



DELETING DATA MAY MEAN THE END FOR YOU

BUT FOR SOME IT IS A START

DID YOU KNOW?
Even A Formatted Hard Disk Still Holds Data!

Before discarding any HDD, you must avail one of our below services:

- Delete Data with Blancco Software
- Degauss with Garner Degausser
- Destroy Hard Disk with Uster Shredder

DELETE DEGAUSS DESTROY

Data De-End eliminates personal & confidential information from your Data Devices following most secured & NAAD Certified Global Practices

DATA DE-END **ecoreco** **NAAD**

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 4: Property, Plant and Equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At April 01 2020	Additions During the Year	Deductions During the Year	As At March 31 2021	As At April 01 2020	Additions During the Year	Deductions During the Year	As At March 31 2021	As At March 31 2021	As At March 31 2020
Facility Land and Building	4,46,24,920	17,87,482	-	4,64,12,402	-	-	-	-	4,64,12,402	4,46,24,920
Plant and Machinery	18,21,30,056	6,87,174	-	18,28,17,230	1,38,02,861	23,52,932	-	1,61,55,792	16,66,61,438	16,83,27,196
Furniture and Fixtures	41,77,533	-	-	41,77,533	15,18,444	2,42,813	-	17,61,257	24,16,276	26,59,089
Computers	27,89,343	-	-	27,89,343	27,78,266	-	-	27,78,266	11,077	11,077
Vehicles	1,44,76,048	-	-	1,44,76,048	1,18,18,521	18,85,229	-	1,37,03,750	7,72,297	26,57,526
Office Equipment	18,23,187	94,882	-	19,18,068	14,95,131	2,00,662	-	16,95,793	2,22,275	3,28,056
TOTAL	25,00,21,086	25,69,538	-	25,25,90,624	3,14,13,222	46,81,636	-	3,60,94,859	21,64,95,765	21,86,07,864
Previous Year	24,48,76,996	51,44,091	-	25,00,21,086	2,67,58,695	46,54,527	-	3,14,13,222	21,86,07,864	21,81,18,302



Ecorecognition

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Ecoreco, a pioneer in e-waste recycling in India, encourages environment friendly practices for better and greener future.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 5: Investments - Non Current

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
I Investments in Equity Instruments				
Unquoted, fully paid up				
At Cost				
Investments in Subsidiaries, Associates and Joint ventures				
(i) Ecoreco Enviro Education Private Limited	8,49,999	84,99,990	8,49,999	84,99,990
(ii) Dombivali Sahakari Bank Ltd	10,000	1,00,000	-	-
At Fair Value Through Other Comprehensive Income				
SVC Bank Limited	-	-	-	1,00,000
Bharat Heavy Electricals limited	-	-	344	7,155
IDFC first Bank	-	-	30,000	6,33,000
Punjab National Bank	-	-	10,000	3,23,500
Reliance Communications Ltd	-	-	20,00,000	13,20,000
Reliance Power Ltd	-	-	4,00,000	4,88,000
Ruchi Infrastructure Ltd	-	-	4,25,000	7,90,500
Ruchi Soya Industries Ltd	-	-	2,000	3,41,400
Sintex Industries Ltd	30,000	1,01,400	1,00,000	66,000
Subex Limited	-	-	2,30,000	7,06,100
Tata teleservices (Mah) Ltd	16,40,000	2,31,24,000	40,00,000	72,00,000
Zenlab Ethica Ltd	-	-	11,500	4,18,600
Sical Logistics ltd	-	-	12,163	76,749
Shree Krishna Devcon	-	-	488	11,639
NEPC Limited	6,000	4,920	-	-
Jeypore Sugar Limited	1,000	48,700	-	-
Vardhman Concrete (Stresscrete)	20,000	92,000	-	-
Total	25,56,999	3,19,71,010	80,71,494	2,09,82,633
Aggregate amount of Unquoted Investments at Cost	8,59,999	85,99,990	8,49,999	84,99,990
Aggregate amount of Quoted Investments at Cost				
Market Value of Quoted investments				



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 5: Investments - Current

	Particulars	As at 31 March, 2021		As at 31 March, 2020	
		No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
I	Investments in Equity Instruments				
	Quoted, Fully Paid Up				
	At Fair Value Through Profit and Loss				
	Bharat Heavy Electricals limited	75,000	36,56,250	99,656	20,72,845
	Coffee Day Enterprises	-	-	4,959	1,14,553
	Dhanlaxmi Bank	-	-	1,900	15,314
	Everready Industries	-	-	7,000	3,49,300
	Hindustan Copper Ltd	-	-	50,000	10,65,000
	Hindustan Zinc Limited	-	-	7,000	10,86,050
	IDBI Bank	10,000	3,85,500		
	IDFC First Bank	45,000	25,06,500	70,000	14,77,000
	Indian Railway Finance Corporation Ltd	25,000	5,73,750		
	IFCI Limited			25,000	1,01,750
	Jai Corp Limited	10,000	8,44,500	10,000	5,05,500
	MMTC Limited	15,000	6,36,000	1,00,000	12,35,000
	MSTC Limited			5,000	3,95,000
	NLC Limited	40,000	20,18,000	13,000	5,72,000
	NHPC Ltd	2,25,000	55,01,250	-	-
	NMDC Limited	1,000	1,35,250	20,500	16,40,000
	PNB Gilts Limited	80,000	38,40,000	20,000	4,80,000
	Shipping Corporation of India Ltd	15,000	16,61,250	6,000	2,25,300
	Sical Logistics Ltd	-	-	47,837	3,01,851
	Spicejet Ltd	-	-	42,000	15,49,800
	Srei Infra	-	-	5,000	17,900
	The Jammu & Kashmir Bank	-	-	10,000	1,24,000
	Vedanta Limited	-	-	6,000	3,88,500
	Yes Bank Limited	67,287	10,49,677	35,000	7,85,750
	Ashoka Buildcon	-	-	4,000	1,65,200
	Dwarkesh Industries	-	-	5,000	82,500
	Jamuna Auto Industries	-	-	10,000	2,38,000
	Jindal Saw Limited	85,000	63,02,750	20,000	9,16,000
	Jindal Stainless Steel Limited	-	-	5,000	1,20,000
	Oil & Natural Gas Corporation	21,000	21,45,150	-	-
	J K Tyre & Industries Ltd	15,000	16,32,750	-	-
	NBCC (india) limited share	-	-	-	-
	Kamat Hotels	-	-	15,000	2,59,500
	Navabharat Ventures Limited	25,000	17,40,000	5,000	1,72,000
	Punjab National Bank	40,000	14,66,000	10,000	3,23,500
	Rail Vikas Nigam Ltd	10,000	2,91,000	-	-

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

RPSG Ventures Limited	1,000	3,36,850	-	-
Rico Industries Ltd	-	-	4,000	80,000
Tata Motors Ltd	9,000	27,16,650	14,000	9,94,700
Vakrangee Limited	-	-	5,000	99,000
Sintex Industries Limited	10,000	33,800	-	-
Steel Authority of India Ltd	22,000	17,34,700	-	-
Suzlon Energy Ltd	25,000	1,24,500	-	-
Tata Tele services Limited	5,65,000	79,66,500	-	-
Zodiac Clothing Limited	20,000	18,55,000	-	-
Total	14,56,287	5,11,53,577	6,82,852	1,79,52,813
Aggregate amount of Unquoted investments at Cost				-
Aggregate amount of Quoted investments at Cost				
Market Value of Quoted investments		5,11,53,577		1,79,52,813

Note No. 6: Non current financial assets - Loans

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	46,500,000	46,500,000
Total	46,500,000	46,500,000
Secured, considered good	-	-
Unsecured, considered good	46,500,000	46,500,000

Note No. 7: Other non current financial assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Margin money deposits with bank	42,20,597	39,94,969
Total	42,20,597	39,94,969

Note No. 8: Other Non Current Assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Capital Advances	1,93,08,133	2,10,95,615
Security deposits	90,710	-
Advance Income tax (Net of Provision)	76,20,690	53,44,758
Receivable from Keynote capitals	2,35,16,348	2,35,16,348
Total	5,05,35,882	5,00,47,432

Note No.9: Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Finished goods	2,19,69,705	2,68,81,165
Total	2,19,69,705	2,68,81,165

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 10: Trade Receivables

Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade Receivables (Refer Note below)	1,09,60,255	2,41,50,759
Total	1,09,60,255	2,41,50,759
Unsecured, considered good	1,09,60,255	2,41,50,759
	1,09,60,255	2,41,50,759
Total	1,09,60,255	2,41,50,759

Note No.11: Cash and cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	20,630	10,904
Balance with banks		
In current accounts	35,24,306	1,84,752
In term deposits with banks (less than 3 months)	25,288	23,750
Total	35,70,224	2,19,406

Note No.12: Current financial assets - Loans

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security deposits	65,00,836	32,58,258
Loans and advances to employees	35,961	1,36,000
Other current loans	2,54,756	-
Total	67,91,553	33,94,258
Break-Up:		
Unsecured, considered good	67,91,553	33,94,258
Total	67,91,553	33,94,258

Note No.13: Other current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Advances to Suppliers	52,05,715	44,02,330
Prepaid Expenses	4,51,209	13,59,105
Advances recoverable in kind or value to be received	5,62,236	88,79,236
Others	-	2,14,09,588
Total	62,19,161	3,60,50,258

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No.14: Non-current borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Term loans		
- From other parties	-	4,63,84,285
* Loan from DSIR	9,00,00,000	9,00,00,000
Loans from Others	25,00,000	-
Total	9,25,00,000	13,63,84,285
Secured	-	-
Unsecured	9,25,00,000	13,63,84,285
Total	9,25,00,000	13,63,84,285

*Note: As per the TDDP Scheme of the DSIR, the financial support so provided is to be repaid on successful commercialisation of the technology but instead of waiting for the same, DSIR invoked Arbitration Clause, as against their own admission of pending commercialisation vide their letter dated 14th February, 2014. The Sole Arbitrator preferred to ignore commercialisation of the project, a precondition of the repayment of the grant given by the DSIR for Development, Demonstration & Commercialisation of the above project. As against the order of the Arbitrator, the Company has appealed in the Delhi High Court, awaiting the date of hearing.

Note : 15 Non-current provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (net)	8,96,917	6,72,672
Total	8,96,917	6,72,672

Note No.16: Deferred Tax Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening Balance	83,52,924	1,35,31,794
Adjustments during the year		
Profit and Loss	20,62,770	(7,31,171)
Other Comprehensive Income	(51,81,250)	(44,47,699)
Total	52,34,444	83,52,924

Note No.17: Current Borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Loans Repayable on Demand		
Loans and advances from related parties	-	1,78,50,596
Deposits	15,00,000	15,00,000
Total	15,00,000	1,93,50,596
Unsecured	15,00,000	1,93,50,596
	15,00,000	1,93,50,596

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 18: Trade Payables - Current

Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade Payables:		
-For Goods	2,54,250	1,32,506
-For Services	4,29,080	15,51,255
Due to related parties	-	6,32,186
Due to Micro Enterprises and Small Enterprises	-	-
Total	6,83,330	23,15,947

From above payable to Micro Small Medium Enterprises

	Year Ended March 31st 2021	As at 31 March, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
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 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	-	-

* Trade payables are dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.

Note No. 19: Other current financial liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current maturities of long-term debt	-	75,72,468
Salary Payable	18,13,991	9,49,906
Other payables	-	10,72,834
Total	18,13,991	95,95,208

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 20: Other current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Statutory dues payable	70,012	58,589
GST payable	3,58,476	1,16,52,022
Provident Fund payable	85,610	60,725
Income tax (TDS payable)	6,06,191	2,41,056
Advances from customers	13,72,908	13,66,188
Others	18,596	-
Total	25,11,793	1,33,78,580

Note No. 21: Current provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (net)	24,60,567	20,12,279
Provision for taxation	1,00,54,638	33,60,250
Total	1,25,15,205	53,72,529

Note No. 22: Revenue from operations

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Sale of Stock in Trade		
Electric and Electronic Equipment	9,95,20,731	11,18,28,721
Sale of services		
Data destruction charges	83,74,971	1,01,19,024
Other operating revenues	1,87,56,673	-
Total	12,66,52,374	12,19,47,745

Note No. 23: Other Income

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Gains from trading in shares	5,03,76,059	58,83,875
Sundry balances written back		25,84,713
Dividend	10,99,544	2,94,670
Gain / (loss) on shares measured at fair value through profit or loss	61,32,783	-
Membership fees	1,00,000	40,000
Other non operating income	1,35,675	10,84,905
Interest income	2,98,843	2,39,874
Total	5,81,42,904	1,01,28,037

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 24: Purchase of goods

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Purchases of waste electrical and electrical equipment	3,75,98,400	4,01,24,438
Total	3,75,98,400	4,01,24,438

Note No. 25: Changes in inventories of finished goods, stock in trade, work in progress

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Opening inventories		
Finished goods	2,65,45,373	2,87,34,627
	2,65,45,373	2,87,34,627
Closing Inventories		
Finished goods	2,19,69,705	2,68,81,165
	2,19,69,705	2,68,81,165
Total	45,75,668	18,53,462

Note No. 26: Employee benefit expenses

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Salaries, Bonus and Other Allowances to staff	66,20,582	67,99,725
Remuneration to Directors	1,13,46,962	63,95,704
Contribution to Provident and Other funds	3,72,304	4,27,316
Gratuity and other long term employee benefits	3,24,245	3,24,245
Employee welfare expenses	65,478	2,35,268
Total	1,87,29,571	1,41,82,258

Note No. 27: Finance cost

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Interest expenses	29,89,920	80,32,299
Other borrowing costs	12,13,179	-
Total	42,03,099	80,32,299



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 28: Other expenses

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Rent, Rates and Taxes	75,64,957	77,26,483
Freight and Transportation	11,03,216	17,97,053
Travelling and Conveyance	26,272	25,97,230
Legal and Professional charges	16,77,754	34,23,233
Retainership expenses	1,07,143	-
Service tax credit written off	-	10,27,744
Advertisement expenses	16,09,296	51,85,562
Bad debts	1,17,65,122	-
Insurance	7,64,004	6,49,657
Bank charges	51,955	-
Printing and Stationery	91,159	4,22,357
Repairs and Maintenance	5,75,056	52,984
Electricity charges	3,02,609	3,63,700
Security charges	9,19,493	9,14,795
Payment to Auditors	2,50,000	2,50,000
Annual listing fees, and other expenses	5,79,299	3,00,000
Loss from trading in shares	39,86,108	1,05,68,020
Loss due to fair value changes in equity shares	-	92,23,076
Miscellaneous expenses	9,34,482	22,21,696
Membership & Subscription fees	3,16,217	-
Sundry balances written off	2,05,64,337	2,92,677
Software License Expenses	20,051	-
Share Trading Expenses	61,275	49,501
Telephone and other communication expenses	2,86,178	3,49,086
Income Tax Paid	19,35,066	-
Postage & Courier Charges	1,16,244	-
Website AMC Charges	1,500	-
Business Promotion Expenses	51,530	-
Branding Expenses	14,500	-
Disocunt Given	11,712	-
Donation	1,47,095	-
Commision Paid	3,876	-
Data destruction charges	13,29,972	26,05,129
Penalty & Interest Paid	1,70,579	-
Office Expenses	69,232	-
Brokerage & Other Charges	3,37,986	-
Exchnage Rate Fluctuation	86,208	-
Motor Car & Vehicle Expenses	16,668	-
Other Factory expenses	24,08,976	8,81,090
Total	6,02,57,128	5,09,01,072

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 29: Disclosure in Respect of Leases:

Operating Lease: Company as Lessee

The Company's leasing arrangements are in respect of operating leases for factory and office premises occupied by the Company. These leasing arrangements are cancellable except during the lock in period, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a) The total of future minimum lease payments during lock in period of operating leases for each of the following periods:

Particulars	2020-2021	2019-2020
i) Not later than one year	74,75,880	74,75,880
ii) Later than one year and not later than five years	-	-
b) Lease payments recognized in the statement of profit & loss account	74,75,880	76,25,880

Note No. 30: Contingent Liabilities

Particulars	2020-2021	2019-2020
Guarantee given by Bank on behalf of the Company Secured against equal fixed deposits, standing bank guarantee in favour of The Customs, JNPT	18,10,000	18,10,000
*Corporate Guarantee to National Skills development Corporation on behalf of its 100% subsidiary Ecoreco Enviro Education Pvt. Ltd.	2,49,64,139	2,49,64,139
*Outstanding as on 31.03.2021 (Previous Year 31.03.2020)	1,97,59,974	2,15,56,336

Note No. 31: Payment to Auditors

Particulars	2020-2021	2019-2020
Audit Fees	200,000	200,000
Tax Audit Fees	50,000	50,000
Total	250,000	250,000

Note No. 32: Earnings in Foreign Currency

Particulars	2020-2021	2019-2020
Service Charges	1,62,73,512	8,10,074
Total	1,62,73,512	8,10,074

Note No. 33: The Company was maintaining a demat and a trading account with Keynote Capital Limited for its investment in equity shares in the secondary market. In the year 2013-14 Keynote misappropriated 20,56,234 Nos. of shares worth Rs. 4,48,55,092 from its demat account and sold in the market under the pretext of an alleged recovery of debit balance in the derivative segment. The company filed a complaint against Keynote with SEBI & NSE. The matter was referred to Arbitration and your company won at both the levels of the Arbitration. Now the matter is pending before The High Court of Mumbai and we are waiting for an early hearing and the decision in the matter at the earliest.

Note No. 34: The Company had entered in to an agreement with KUD Realtors Pvt. Ltd, Mumbai for purchase of 10 acres of land for a consideration of Rs. 650 lacs for setting up its e-waste recycling project at Kharbao, Bhiwandi and paid Rs.615 lacs against the above. As of now, M/s KUD Realtors Pvt Ltd, could convey 5.78 acres of land in favor of the company and for the remaining amount they have offered some warehouses and incomplete construction at the same site. With the help of local Gram Panchayat, we are gradually getting physical possession of the assets acquired from KUD and hope to resolve the issues in near future

Note No. 35: Balances of some of the trade receivables, trade payables and creditor of expenses, loans & advances (given and taken) and loans, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management, however is of the view that there will be no material adjustments in this regards.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note The company is in the business of E-waste Recycling and Asset Management.

No. 36:

Note **Related Party Transactions**

No. 37: Related party disclosures as required by IND AS - 24, are given below "

i) Relationships :

(a) Holding Company :-

Ecoreco Ventures Private Limited

(b) Entities controlled by Directors:-

Ecoreco Enviro Education Private Limited

(c) Entities Controlled by Directors

Reverse Logistics & Warehousing Private Limited

Ecoreco Park Private Limited
 Eco Remarketing Private Limited
 Data De-End Private Limited
 Reverse E-Commerce Private Limited
 EPR Compliance Private Limited

(d) Key Management Personnel :-

Mr. Brijkishor Soni - CMD
 Mrs. Aruna Soni - Executive Director
 Mr. Srikrishna B. - Independent Director
 Mr. Shashank Soni - Executive Director & CFO
 Mr. Dattatraya Devele - Independent Director
 Mr. Giriraj Bhattar - Independent Director
 (appointed wef 12th February, 2021)
 Mr. Ravi Varma - Independent Director
 (resigned wef 10th December, 2020)

ii) Transaction With Related Parties :-

(Amount in Rs.)

Particulars	Key management personnel	Holding/ Subsidiary	Associates
Remuneration	1,02,00,000	-	-
(Previous Year)	(64,00,000)	-	-
Sitting Fees	1,60,000	-	-
(Previous Year)	(1,70,000)	-	-
Rent	18,00,000	-	-
(Previous Year)	(19,50,000)	-	-
Sales	-	-	1,88,125
(Previous Year)	-	-	(15,89,773)
Direct expenses (Data Destruction Charges)	-	-	13,29,972
(Previous Year)	-	-	(30,74,057)
Closing Balance at the year end			
Deposit given	4,50,00,000	-	-
(Previous Year)	(4,50,00,000)	-	-
Trade receivables	-	-	-
(Previous Year)	-	-	(73,29,365)

NOTE: Related party relationship is as identified by the company and relied upon by the auditors

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 38: Earnings per share

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Earnings per share has been computed as under :		
(a) Profit and Loss for the period	4,38,03,037	1,12,33,647
(b) Weighted Average of number of equity shares outstanding	1,92,96,750	1,92,96,750
Earnings per Share - BASIC Dilutes earnings per share is the same as basic earning per share	2.27	0.61

Note No. 39: Fair value measurements

The carrying value and fair values of financial assets and financial liabilities by categories as at March 31, 2021 is as follows:

(A) Financial instruments by category						
Particulars	31-Mar-21			31-Mar-20		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
Financial assets						
Investments	84,99,990	2,34,71,020	5,11,53,577	84,99,990	1,24,82,643	1,79,52,813
Trade receivables	1,09,60,255	-	-	2,41,50,759	-	-
Loans	5,32,91,553	-	-	4,98,94,258	-	-
Other Financial Assets	67,91,553	-	-	39,94,969	-	-
Cash and cash equivalents	35,70,224	-	-	2,19,406	-	-
Total financial assets	8,31,13,576	2,34,71,020	-	8,67,59,382	1,24,82,643	1,79,52,813
Financial liabilities						
Borrowings	9,40,00,000	-	-	16,33,07,349	-	-
Trade Payables	6,83,330	-	-	23,15,947	-	-
Other financial liabilities	18,13,991	-	-	95,95,208	-	-
Total Financial liabilities	9,64,97,321	-	-	17,52,18,504	-	-

(B) Fair value hierarchy

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets and liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for assets and liabilities that are not based on observable market data (unobservable inputs)

The Fair value hierarchy of assets and liabilities as at March 31, 2021 are as follows:

Financial Assets	Level 1	Level 2	Level 3	Total
Investments in Equity instruments	7,46,24,597	-	-	7,46,24,597
Investment in preference shares	-	-	-	-
Total financial assets	7,46,24,597	-	-	7,46,24,597

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

The Fair value hierarchy of assets and liabilities as at March 31, 2020 are as follows:				
Financial Assets	Level 1	Level 2	Level 3	Total
Investments in Equity instruments	3,04,35,456	-	-	3,04,35,456
Investment in preference shares	-	-	-	-
Total financial assets	3,04,35,456	-	-	3,04,35,456

Note No. 40: Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.	
Risk	Exposure arising from
Credit Risk	Trade receivables, financial assets measured at amortised cost
Liquidity Risk	Borrowings and other liabilities
Market risk – interest rate	Long-term borrowings at variable rates

a. Credit risk

The Company is exposed to credit risk, subject to that the counterparty defaults on its contractual obligation resulting in a financial loss.

Credit risk arises from financial assets carried at amortized cost and, as well as credit exposures categorised under trade receivables

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk may arise from accounts receivables, at the same time Company's major clients include those who the Company regularly deals with and have high credit quality. Accordingly, the Company's customer credit risk is very low.

The Company is making provision for trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as below:

Particulars	31-Mar-21	31-Mar-20
Opening balance (provision for bad debts)	Nil	Nil
Changes in loss allowance (Provision for doubtful debts):	-	-
Loss allowance based on ECL	-	-
Additional Provision	-	-
Bad-debts	-	-
Closing balance	Nil	Nil



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

b. Liquidity risk

Liquidity risk is defined as risk that the company will not be able to settle or meet its obligations on time.

In respect of its existing operations, the Company has provided for the funds from its internal accruals and occasionally from intra group entities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

i. Maturities of financial liabilities				
The amounts disclosed below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant				
As at 31st March,2021	Less than 1 year	Between 2 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings from financial institutions	-	-	-	-
Trade payables	6,83,330	-	-	6,83,330
Other financial liabilities	18,13,991	-	-	18,13,991
Others	-	-	-	-
Total financial liabilities	24,97,321	-	-	24,97,321

c. Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk and b) Interest rate risk.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company does not have any foreign currency loans, receivables or payables, hence the risk towards foreign currency risk is not applicable to the Company.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS-107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Capital Management

I. Risk Management		
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.		
The Company monitors capital on basis of total equity and debt on a periodic basis. Equity comprises all components of equity. Debt includes term loan and short term loans. The following table summarizes the capital of the Company:		
Particulars	31-Mar-21	31-Mar-20
Equity (excluding other reserves)	19,29,67,500	19,29,67,500
Debt (current maturities and interest due)	-	-
Total	19,29,67,500	19,29,67,500

Note No. 41:

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

For Talati & Talati LLP

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner

Membership No.: 127863

Mumbai | 25th June, 2021

B. K. Soni

Managing Director

DIN: 01274250

Shashank Soni

Director & Chief Financial Officer

DIN: 06572759

Aniruddha Badkatte

Company Secretary



INDEPENDENT AUDITOR'S REPORT

To
The members of
Eco Recycling Limited
Report on the Consolidated Ind AS
Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated Ind AS financial statements of M/s Eco Recycling Limited ("the Holding Company"), and its subsidiaries (the holding company and its subsidiaries together referred to as "Group") which comprises of the Consolidated Balance Sheet as at **31st March 2021**, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the 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, except for the matters mentioned in the Basis For Qualified Opinion, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act with relevant rules thereunder and other accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Company as at **31st March 2021** and its consolidated financial performance

(including other comprehensive income), its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

The company has entered into a lease agreement for its factory premises in May 2020. The holding company has not recognized lease liability in accordance with the Indian Accounting Standards (IND AS) 116 Leases and has continued to treat the said lease agreement as an operating lease as per IND AS 17 Leases.

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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment,

were of most significance in our audit of the financial statements of the current period. Except for the matter described in the Emphasis of Matter Paragraph we have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

We draw attention to the following notes in the consolidated Ind AS financial statements annexed to the auditor's report

1 Note no.6 to the consolidated financial statements, Non Current Security Deposits.

The Holding company has not done any fair valuation of its financial assets and financial liabilities as it believes that the carrying amounts of these financial assets and financial liabilities approximate their fair values and that the impact of change, if any, on account of fair valuation these financial assets and financial liabilities, will be insignificant.

2. Note no.34 to the consolidated financial statements, Capital advances.

The Holding company has a pending legal dispute with M/s KUD Realtors Pvt. Ltd relating to the transfer of assets purchased in favour of the holding company. As at 31st March 2021, the holding company has paid amount of Rs. 1,93,08,133 as advance for purchase of the assets. As at the date of this report, the final outcome of the legal proceedings is pending.

3. Note no.14 to the financial statements, unsecured borrowings from DSIR.

The Holding Company was granted funds of Rs 900 lacs by DSIR, for a project of “E-Waste Recycling and Precious Metal Recovery” and as per the original terms of the disbursal, the loan by DSIR, was to be repaid on the successful commercialisation of the project. According to the information and explanations given to us, the dispute between the Holding Company and DSIR over the repayment of the loan from DSIR is now pending before the Delhi High Court. The grant received from the DSIR is presented in the financial statements as at 31st March 2021, at its original transaction amount.

4. Note No.33 to the financial statements, Receivables from Keynote Capital Limited

An amount of Rs 2,35,16,348 is receivable from M/s Keynote Capital Limited (Keynote), by the Holding company, on account of share transactions misappropriated by the Keynote Capital Limited. As on the date of this report, the matter is pending for its final outcome before the Bombay High Court.

Our opinion is however not qualified in respect of the above matters.

Information other than the Financial Statements and Auditor’s Report thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included

in the Annual Report, but does not include the financial statements and our auditor’s report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Consolidated Ind AS Financial Statements:

The Holding Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed 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 the assets of the Company and for preventing and

detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors are also responsible for overseeing the company’s financial reporting process of their respective companies included in the Group.

Auditor’s Responsibilities for the Audit of the financial statements:

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the

reasonableness of accounting estimates and related disclosures made by management.

4. 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated 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.

For matters communicated with those charged with governance, we determine those matters that were most significant 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 disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on other Legal and Regulatory Requirements:

1. 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 Group so far as it appears from our examination of those books;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other Comprehensive income, the Consolidated statement of cash flow dealt with by this Report

are in agreement with the books of account;

- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with relevant rules thereunder;
- e) On the basis of the written representations received from the directors of the Holding Company and the subsidiary companies as on 31st March 2021, taken on record by the Board of Directors of respective companies, none of the directors of the entities included in the Group is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- g) With respect to other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding company to its Directors during the year is in accordance with the provisions of section 197 of the Act. Further, no remuneration is paid during the year, by any of the subsidiary companies forming part of the Group.

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

- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated

Ind AS financial statements. Refer Note no. 33 and 34 to the consolidated financial statements.

- ii. The Group did not have any long-term contracts including derivative contract having material foreseeable losses for which provision was required to be made under the applicable law or the accounting standards.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Talati and Talati LLP
Chartered Accountants
Firm Registration No.: 110758W/
W100377

Bhaskar R. Iyer
Partner
Membership No.: 127863

Mumbai
25th June 2021
UDIN: 21127863AAAAER9977



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ECO RECYCLING LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s Eco Recycling Limited** (“the Holding Company”) and its subsidiaries (the holding company and its subsidiaries together referred to as “Group”) as of 31st March 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls:

The Holding 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 Group’s internal financial controls over Financial reporting based on our audit conducted 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, 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 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group’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 the consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of the consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

Opinion

In our opinion, and to the best of our information and according to explanations given to us on the various aspects of Internal Financial Controls over Financial reporting for the period covered by this audit, the same which is being documented in the form of a Risk Control Matrix (RCM), the Group has, in all material respects, an adequate internal financial controls

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Talati and Talati LLP
Chartered Accountants
Firm Registration No.: 110758W/
W100377

Bhaskar R. Iyer
Partner
Membership No.: 127863

Mumbai
25th June 2021
UDIN: 21127863AAAAER9977



STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS - (CONSOLIDATED)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]			
			(₹ In lacs)
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	1,848	1,848
2.	Total Expenditure	1,291	1,291
3.	Net Profit/(Loss)	447	447
4.	Earnings Per Share	2.32	2.32
5.	Total Assets	4,551	4,551
6.	Total Liabilities	1,374	1,374
7.	Net Worth	3,177	3,177

II. Audit Qualification

a. **Details of Audit Qualification:**

The company has entered into a lease agreement for its factory premises in May 2020. The holding company has not recognized lease liability in accordance with the Indian Accounting Standards (IND AS) 116 Leases and has continued to treat the said lease agreement as an operating lease as per IND AS 17 Leases.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of Qualification:** First Time

d. **For Audit Qualification where the impact is quantified by the auditor, Management's Views:** Not Applicable.

e. **For Audit Qualification where the impact is not quantified by the auditor:**

(i) **Management's estimation on impact of audit qualification:** - NIL

(ii) **If management is unable to estimate the impact, reasons for the same:**

The Company has taken a factory premise on lease in May 2020. The impact of the audit qualification cannot be quantified at this point of time but there is no material impact on the operations of the Company.

(iii) **Auditors comments on (i) or (ii) above:** No Comments

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note	As At March 31, 2021	As At March 31, 2020
A ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	4	21,66,22,115	21,88,99,504
(b) Intangible assets	4	2,21,375	2,53,000
(c) Capital Work in Progress		-	-
(d) Financial Assets			
(i) Investments	5	2,34,71,020	1,24,82,633
(ii) Trade Receivables		-	-
(iii) Loans	6	4,65,00,000	4,65,00,000
(iv) Other Financial assets	7	42,20,597	39,94,969
(e) Deferred Tax assets (net)		-	-
(f) Other Non Current assets	8	5,06,18,363	5,00,47,432
Total Non-Current Assets		<u>34,16,53,469</u>	<u>33,21,77,538</u>
(2) Current Assets			
(a) Inventories	9	2,19,69,705	2,68,81,165
(b) Financial Assets			
(i) Investments	5	5,11,53,577	1,79,52,813
(ii) Trade receivables	10	1,09,60,255	2,41,50,759
(iii) Cash and cash equivalents	11	1,63,76,899	2,26,086
(iv) Bank balances other than (iii) above		-	-
(v) Loans	12	65,36,797	33,94,258
(vi) Other financial assets		-	-
(c) Other Current assets	13	64,73,917	3,60,50,258
Total Current Assets		<u>11,34,71,150</u>	<u>10,86,55,339</u>
Total Assets		<u>45,51,24,619</u>	<u>44,08,32,877</u>
B EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	1	19,29,67,500	19,29,67,500
(b) Instruments entirely equity in nature		-	-
(c) Other Equity	1	12,47,32,224	4,44,59,039
Total Equity		<u>31,76,99,724</u>	<u>23,74,26,539</u>
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	11,22,59,974	15,43,47,897
(ii) Trade Payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	15	8,96,917	6,72,672
(c) Deferred tax liabilities (net)	16	52,34,444	83,52,924
(d) Other non-current liabilities		-	-
Total Non-Current Liabilities		<u>11,83,91,335</u>	<u>16,33,73,493</u>
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	15,00,000	93,36,401
(ii) Trade payables	18	6,63,391	23,15,947
(iii) Other financial liabilities	19	18,13,991	96,45,208
(b) Other current liabilities	20	25,40,973	1,34,07,760
(c) Provisions	21	1,25,15,205	53,27,529
Total Current Liabilities		<u>1,90,33,560</u>	<u>4,00,32,844</u>
Total Equity and Liabilities		<u>45,51,24,619</u>	<u>44,08,32,876</u>

See accompanying notes forming part of the financial statements

For Talati & Talati LLP
Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer
Partner
Membership No.: 127863
Mumbai | 25th June, 2021

B. K. Soni
Managing Director
DIN: 01274250

Shashank Soni
Director & Chief Financial Officer
DIN: 06572759

Aniruddha Badkatte
Company Secretary

For and on behalf of the Board of Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Note No.	Year Ended March 31 2021 ₹	Year Ended March 31 2020 ₹
I INCOME			
(a) Revenue from operations	22	12,66,52,374	12,19,47,745
(b) Other income	23	5,81,42,904	1,02,83,557
Total Income		<u>18,47,95,278</u>	<u>13,22,31,302</u>
II EXPENSES			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade	24	3,75,98,400	4,01,24,438
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	45,75,668	18,53,462
(d) Employee benefits expense	26	1,87,29,571	1,43,01,609
(e) Finance costs	27	31,03,345	80,32,299
(f) Depreciation, amortisation, impairment expense	4	48,13,486	47,86,472
(g) Other expenses	28	6,02,80,081	5,09,50,683
Total expenses		<u>12,91,00,551</u>	<u>12,00,48,964</u>
III Profit / (Loss) before exceptional items		5,56,94,726	1,21,82,339
IV Exceptional items		-	-
V Profit / (Loss) before tax		<u>5,56,94,726</u>	<u>1,21,82,339</u>
VI Tax expense:			
(a) Current tax		88,83,968	18,25,250
(b) Deferred tax		20,62,770	(7,31,171)
		<u>1,09,46,738</u>	<u>10,94,079</u>
VII Profit / (Loss) for the year		<u>4,47,47,988</u>	<u>1,10,88,260</u>
VIII Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or loss			
(i) Measurement of employment defined benefit plans		(3,93,288)	(3,93,288)
(ii) Fair value changes of equity instruments		3,09,18,364	(1,67,13,248)
(iii) Revaluation of property, plant and equipment		-	-
(b) Income tax relating to items in (a) above		51,81,250	44,47,699
Total Other Comprehensive Income (Net of Tax)		<u>3,57,06,326</u>	<u>(1,26,58,837)</u>
IX Total Comprehensive Income for the period		<u>8,04,54,315</u>	<u>(15,70,577)</u>
X Earnings Per Share (Rs 10 per share fully paid up)			
(a) Basic		2.32	0.60
(b) Diluted		2.32	0.60
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Talati & Talati LLP

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner

Membership No.: 127863

Mumbai | 25th June, 2021

B. K. Soni

Managing Director

DIN: 01274250

Shashank Soni

Director & Chief Financial Officer

DIN: 06572759

Aniruddha Badkatte

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year Ended March 31 2021	Year Ended March 31 2020
Cash Flow from Operating Activities		
Net Profit before tax	5,56,94,726	1,21,82,339
<u>Adjustments for Non cash and other items:</u>		
Depreciation and amortisation	48,13,486	47,86,472
Interest / Dividend on investments considered in investing activities	(13,98,387)	(5,34,544)
Finance Cost considered in financing activities	31,03,345	80,32,299
Sundry balances written back	-	(27,40,233)
Sundry balances written off	2,05,64,337	-
Loss on equity investments	39,86,108	1,39,07,220
Provision for Gratuity	3,24,245	3,24,245
Profit on sale of investments	(1,17,35,582)	-
Total	<u>1,96,57,552</u>	<u>2,37,75,460</u>
Operating Profit before working capital changes	<u>7,53,52,278</u>	<u>3,59,57,799</u>
<u>Adjustments for:</u>		
(Increase) / Decrease in Inventories	-	-
(Increase) / Decrease in Trade Receivables	(73,73,834)	1,80,10,783
(Increase) / Decrease in Loans and Other Financial Assets	1,01,56,271	(36,20,389)
(Increase) / Decrease in Other Current and Non Current Assets	3,13,63,823	(79,44,205)
Increase / (Decrease) in Other Non Current Liabilities	(75,72,468)	-
Increase / (Decrease) in Other Trade Payables	(16,37,500)	3,76,963
Increase / (Decrease) in Other Financial Liabilities	(2,08,749)	10,23,804
Increase / (Decrease) in Other Current Liabilities	(1,23,14,791)	1,20,55,611
Total	8,77,65,031	5,58,60,365
Less: Income Taxes Paid (Net of refunds)	(22,75,932)	(11,48,597)
Cash generated from Operating Activities (I)	<u>8,54,89,099</u>	<u>5,47,11,769</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Cash Flow from Investing Activities		
Inflows		
Interest on investments	13,98,387	5,34,544
Outflows		
Purchase of fixed assets	(25,69,537)	(51,44,090)
Purchase of equity investments (NET)	(15,32,550)	(3,07,44,743)
Capital advances		
Cash generated from Investing Activities (II)	(27,03,700)	(3,53,54,288)
 Cash Flow from Financing Activities		
Inflows		
Borrowings	-	57,42,975
Outflows		
Finance cost	(31,03,345)	(80,32,299)
Repayment of borrowings	(6,35,31,242)	(3,43,62,673)
Cash generated from Financing Activities (III)	(6,66,34,587)	(3,66,51,998)
 Net Increase / (Decrease) Cash and Cash Equivalents (I + II + III)	 1,61,50,812	 (1,72,94,519)
Add: Cash and cash equivalent at the beginning of the year	2,26,086	1,75,20,605
Cash and Cash Equivalent at the End of the Year	1,63,76,898	2,26,086
 Cash and Cash Equivalent as above comprises of:		
Cash on Hand	20,630	10,904
Balances with banks	1,63,30,981	1,91,432
Bank deposits	25,288	23,750
	1,63,76,899	2,26,086

For Talati & Talati LLP

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner
Membership No.: 127863
Mumbai | 25th June, 2021

B. K. Soni

Managing Director
DIN: 01274250

Shashank Soni

Director & Chief Financial Officer
DIN: 06572759

Aniruddha Badkatte

Company Secretary

For and on behalf of the Board of Directors

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

Note No. 1

A	Particulars	2020-2021		2019-2020	
		No. of shares	Amount	No. of shares	Amount
(A) Equity Share Capital					
	Opening Equity Share Capital	1,92,96,750	19,29,67,500	1,75,42,500	17,54,25,000
	Add: Increase during the year	-	-	17,54,250	1,75,42,500
	Less: Reduction during the year	-	-	-	-
	As at March 31, 2021	1,92,96,750	19,29,67,500	1,92,96,750	19,29,67,500

B	Particulars	Reserves and Surplus				Other Comprehensive Income				Total
		Capital Reserves	Securities premium	General Reserves	Retained Earnings	Revaluation of Fixed Asstes	Equity Instruments FVTOCI	Remeasurements of employee benefits expense	Other OCI Items	
	Balance as at April 01, 2020	3,51,15,495	8,08,57,500	1,57,130	(9,51,49,571)	6,15,89,573	(2,41,33,880)	(4,55,276)	(1,37,03,062)	4,42,77,909
	Profit for the year	-	-	-	4,47,47,988	-	-	-	-	4,47,47,988
	Other Comprehensive income for the year	-	-	-	-	3,09,18,364	(3,93,288)	51,81,250	-	3,57,06,326
	Transfer to retained earnings	-	-	-	(1,17,35,582)	-	1,17,35,582	-	-	-
	Balance as at March 31, 2021	3,51,15,495	8,08,57,500	1,57,130	(6,21,37,165)	6,15,89,573	1,85,20,066	(8,48,564)	(85,21,812)	12,47,32,224



On this Earth's Day
Come together with Ecoreco to preserve our World through ERP

Ecoreco presents Electronic Recycle & Recycling Program (ERP) that gives all resources and every equipment and appliance to recycle and reuse for reuse or recycle through authorized recycling facilities and get rewarded too. The funds generated from this program will be used for the benefit of underprivileged through NGOs.

Ecoreco India's ISO 9001 compliant electronic waste recycling facility that contributes towards attainment of environmental standards for a greener economy and demonstrates the ecological benefits.

Ecoreco provides the following support for:

- Automobile industry of E-waste
- Equipment refurbishment and reuse
- Shoppers & Mfg manufacturing
- Electronic waste accessories
- Reproduction of various items
- Hazardous substances handled by authorized facility

Electronic Recycle & Recycling Program (ERP) 22nd April to 31st May 20

Hand us your e-waste
022 4005-2051/2/3
www.ecoreco.com



E-WASTE DISPOSAL WEEK
10th - 15th Dec 20

Dispose your electrical & electronic waste with Ecoreco to contribute towards a greener environment!

During this time, the e-waste disposal week, you can bring your old mobile phones, laptops, tablets, etc. to Ecoreco for recycling. We will give you a reward of ₹ 1000 for every 10kg of e-waste you bring. The reward will be given to you in the form of a gift certificate. You can use this gift certificate to purchase any product from Ecoreco. The reward will be given to you in the form of a gift certificate. You can use this gift certificate to purchase any product from Ecoreco. The reward will be given to you in the form of a gift certificate. You can use this gift certificate to purchase any product from Ecoreco.

How to participate:

1. Bring your e-waste to Ecoreco during the disposal week.
2. We will give you a reward of ₹ 1000 for every 10kg of e-waste you bring.
3. The reward will be given to you in the form of a gift certificate.
4. You can use this gift certificate to purchase any product from Ecoreco.

Terms & Conditions:

- The reward will be given to you in the form of a gift certificate.
- The reward will be given to you in the form of a gift certificate.
- The reward will be given to you in the form of a gift certificate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

2 (A) Principles of consolidation:

The consolidated financial statements relate to the Company and its subsidiary company and companies controlled, that is, companies over which the Company exercises control over ownership and voting power (herein after collectively referred to as the “Group”). The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the IND AS – 110 “Consolidated Financial Statements” prescribed u/s 133 of Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules, 2014 issued by the Central Government.
- Investments in subsidiary are eliminated and differences between the costs of investment over the net assets on the date of the investment in subsidiaries are recognised as goodwill or capital reserve, as the case may be.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s stand alone financial statements.

Name of the Company	Country of incorporation	% holding
Ecoreco Enviro Education Pvt. Ltd.	India	100%

Investments other than in Subsidiaries are accounted as per IND AS – 109 – “Accounting for Investments”.

3 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

i. Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the

Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The Financial Statements are presented in INR and all values are rounded off to the nearest lakhs (INR 00,000), unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

- Defined Benefit Plans - Plan assets measured at fair value.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Operating Segment

As the Company is operating only in one business segment i.e. operation of e-waste recycling business in organised manner, the requirement to give segment reporting as per Ind-AS Accounting Standard 108 on Operating Segment issued by the Institute of Chartered Accountants is not applicable.

Use of Accounting Estimates

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported

balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of incomes and expenses for the periods presented.

Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of significant assets, such as property, plant & equipment.

This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

a. Revenue recognition

The Company derives revenues primarily from purchase of e-waste Scraps, segregates and accordingly sell it to the concerned customers. The Company also provides Data Destruction Services as a part of the services. The Company also receives income from Share trading, Membership Fees and Interest Income apart from above key goods and services rendered.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. As the nature of the business, The Company does not have a policy of Sales Return and hence, does not have any accountability for products to be returned or defective services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied. Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve

the dividend.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

b. Income tax:

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and

liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Current and deferred tax for the year

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

c. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal Company as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Company is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Company), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution

of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal Company are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
 - Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations Or
 - Is a subsidiary acquired exclusively with a view to resale
- Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

d. Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and Residual Value

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

Asset Class	Useful life
Plant & Equipment	15 years
Furniture & fixtures	10 years
Office equipment	5 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

e. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including

transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

f. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

g. Provisions and contingent liability

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the

obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present

Value of those cash flows (when the effect of the time value of money is material).

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

h. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value For the purpose of

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

i. **Employee benefits**

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Superannuation, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected

Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

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

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes

the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

settlement for a period beyond 12 months, the same is presented as non-current liability.

j. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

k. 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.

l. Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are

classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

m. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables,

loans and other financial assets.

n. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment

loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms As a practical

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee

contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

o. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the

case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

p. Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

r. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of work in progress and finished goods comprise of purchase cost, conversion costs and other costs incurred in bringing the inventories to

their present location and condition. Cost is determined using the weighted average basis.

Net realisable is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

s. Finance cost

Finance cost includes interest expense on borrowings calculated using the effective interest rate (EIR) method.

The entity capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. All other borrowing costs is recognised as an expense in the period in which incurred.

Recent Accounting Pronouncement

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind

AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

Standards issued but not yet effective

There are no standard that are issued but not yet effective on 31st March, 2020.

Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 4: Property Plant and Equipment Property

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At April 01 2020	Additions During the Year	Deductions During the Year	As At March 31 2021	As At April 01 2020	Additions During the Year	Deductions During the Year	As At March 31 2021	As At March 31 2021	As At March 31 2020
Facility Land and Building	4,46,24,920	17,87,482	-	4,64,12,402	-	-	-	-	4,64,12,402	4,46,24,920
Plant and Machinery	18,21,30,056	6,87,174	-	18,28,17,230	1,38,02,861	23,52,932	-	1,61,55,792	16,66,61,438	16,83,27,196
Furniture and Fixtures	45,57,533	-	-	45,57,533	16,71,869	2,78,913	-	19,50,782	26,06,751	26,59,089
Computers	27,89,343	-	-	27,89,343	27,78,266	-	-	27,78,266	11,077	11,077
Vehicles	1,44,76,048	-	-	1,44,76,048	1,18,18,521	18,85,229	-	1,37,03,750	7,72,297	26,57,526
Office Equipments	21,61,187	94,882	-	22,56,068	18,33,131	2,64,787	-	20,97,918	1,58,150	3,28,056
TOTAL	25,07,39,086	25,69,538	-	25,33,08,624	3,19,04,647	47,81,861	-	3,66,86,509	21,66,22,115	21,86,07,864
Previous Year	24,48,76,996	51,44,091	-	25,00,21,086	2,67,58,695	46,54,527	-	3,14,13,222	21,86,07,864	21,81,18,302



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 5: Investments - Non Current

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
I Investment in Equity Instruments				
Unquoted, fully paid up				
At COST				
Investments in Subsidiaries, Associates and Joint ventures				
(i) Ecoreco Enviro Education Private Limited	-	-	-	-
(ii) Dombivali Sahakari Bank Ltd	10,000	1,00,000	-	-
At Fair Value Through Other Comprehensive Income				
SVC Bank Limited	-	-	-	1,00,000
Bharat Heavy Electricals limited	-	-	344	7,155
IDFC first bank	-	-	30,000	6,33,000
Punjab National bank	-	-	10,000	3,23,500
Reliance Communications Ltd	-	-	20,00,000	13,20,000
Reliance Power Ltd	-	-	4,00,000	4,88,000
Ruchi Infrastructure Ltd	-	-	4,25,000	7,90,500
Ruchi Soya Industries Ltd	-	-	2,000	3,41,400
Sintex Industries Ltd	30,000	1,01,400	1,00,000	66,000
Subex Limited	-	-	2,30,000	7,06,100
Tata teleservices (Mah) Ltd	16,40,000	2,31,24,000	40,00,000	72,00,000
Zenlab Ethica Ltd	-	-	11,500	4,18,600
Sical Logistics ltd	-	-	12,163	76,749
Shree Krishna Devcon	-	-	488	11,639
NEPC Limited	6,000	4,920	-	-
Jeypore Sugar Limited	1,000	48,700	-	-
Vardhman Concrete (Stresscrete)	20,000	92,000	-	-
Total	17,07,000	2,34,71,020	72,21,495	1,24,82,643
Aggregate amount of Unquoted investments at Cost	10,000	1,00,000	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 5: Investments - Current

	Particulars	As at 31 March, 2021		As at 31 March, 2020	
		No. of Shares	Amount	No. of Shares	Amount
I	Investment in Equity Instruments				
	Quoted, fully paid up				
	At Fair Value Through Profit and Loss				
	Bharat Heavy Electricals limited	75,000	36,56,250	99,656	20,72,845
	Coffee Day Enterprises	-	-	4,959	1,14,553
	Dhanlaxmi Bank	-	-	1,900	15,314
	Everready Industries	-	-	7,000	3,49,300
	Hindustan Copper Ltd	-	-	50,000	10,65,000
	Hindustan Zinc Limited	-	-	7,000	10,86,050
	IDBI Bank	10,000	3,85,500	-	-
	IDFC First Bank	45,000	25,06,500	70,000	14,77,000
	Indian Railway Finance Corporation Ltd	25,000	5,73,750	-	-
	IFCI Limited	-	-	25,000	1,01,750
	Jai Corp Limited	10,000	8,44,500	10,000	5,05,500
	MMTC Limited	15,000	6,36,000	1,00,000	12,35,000
	MSTC Limited	-	-	5,000	3,95,000
	NLC Limited	40,000	20,18,000	13,000	5,72,000
	NHPC Ltd	2,25,000	55,01,250	-	-
	NMDC Limited	1,000	1,35,250	20,500	16,40,000
	PNB Gilts Limited	80,000	38,40,000	20,000	4,80,000
	Shipping Corporation of India Ltd	15,000	16,61,250	6,000	2,25,300
	Sical Logistics Ltd	-	-	47,837	3,01,851
	Spicejet Ltd	-	-	42,000	15,49,800
	Srei Infra	-	-	5,000	17,900
	The Jammu & Kashmir Bank	-	-	10,000	1,24,000
	Vedanta Limited	-	-	6,000	3,88,500
	Yes Bank Limited	67,287	10,49,677	35,000	7,85,750
	Ashoka Buildcon	-	-	4,000	1,65,200
	Dwarkesh Industries	-	-	5,000	82,500
	Jamuna Auto Industries	-	-	10,000	2,38,000
	Jindal Saw Limited	85,000	63,02,750	20,000	9,16,000
	Jindal Stainless Steel Limited	-	-	5,000	1,20,000
	Oil & Natural Gas Corporation	21,000	21,45,150	-	-
	J K Tyre & Industries Ltd	15,000	16,32,750	-	-
	Kamat Hotels	-	-	15,000	2,59,500
	Navabharat Ventures Limited	25,000	17,40,000	5,000	1,72,000
	Punjab National Bank	40,000	14,66,000	10,000	3,23,500
	Rail Vikas Nigam Ltd	10,000	2,91,000	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

RPSG Ventures Limited	1,000	3,36,850	-	-
Rico Industries Ltd	-	-	4,000	80,000
Tata Motors Ltd	9,000	27,16,650	14,000	9,94,700
Vakrangee Limited	-	-	5,000	99,000
Sintex Industries Limited	10,000	33,800	-	-
Steel Authority of India Ltd	22,000	17,34,700	-	-
Suzlon Energy Ltd	25,000	1,24,500	-	-
Tata Tele services Limited	5,65,000	79,66,500	-	-
Ruchi Soya Industries Limited	-	-	-	-
Zodiac Clothing Limited	20,000	18,55,000	-	-
Total	14,56,287	5,11,53,577	6,82,852	1,79,52,813
Market Value of Quoted investments		5,11,53,577		1,79,52,813

Note No. 6: Non current financial assets - Loans

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	4,65,00,000	4,65,00,000
Loans to related parties	-	-
Total	4,65,00,000	4,65,00,000
Secured, considered good	-	-
Unsecured, considered good	4,65,00,000	4,65,00,000
Trade Receivables with significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-

Note No. 7: Other non current financial assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Margin money deposits with bank	42,20,597	39,94,969
Finance lease receivables	-	-
Total	42,20,597	39,94,969

Note No. 8: Other Non Current Assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Capital Advances	1,93,08,133	2,10,95,615
Security deposits	90,710	90,710
Advance Income tax (Net of Provision)	77,03,171	53,44,758
Receivable from Keynote capitals	2,35,16,348	2,35,16,348
Total	5,06,18,363	5,00,47,432

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 9: Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Finished goods	2,19,69,705	2,68,81,165
Total	2,19,69,705	2,68,81,165

Note No. 10: Trade Receivables

Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade Receivables	1,09,60,255	2,41,50,759
Less: Provision for loss allowance	-	-
Total	1,09,60,255	2,41,50,759
Secured, considered good	-	-
Unsecured, considered good	1,09,60,255	2,41,50,759
	1,09,60,255	2,41,50,759
Less: Provision for Loss allowance	-	-
Total	1,09,60,255	2,41,50,759

Note No. 11: Cash and cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	20,630	10,904
Cheques, drafts on hand	-	-
Balance with banks		
In current accounts	1,63,30,981	1,84,752
In term deposits with banks (less than 3 months)	25,288	23,750
Total	1,63,76,899	2,19,406



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 12: Current financial assets - Loans

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security deposits	65,00,836	32,58,258
Loans to related parties	-	-
Loans and advances to employees	35,961	1,36,000
Other current loans	-	-
	65,36,797	33,94,258
Less: Provision for Loss allowance	-	-
Total	65,36,797	33,94,258
Break-Up:		
Secured, considered good	-	-
Unsecured, considered good	65,36,797	33,94,258
Loans which have a significant increase in credit risk	-	-
Loans which are credit impaired	-	-
Total	65,36,797	33,94,258

Note No. 13: Other current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Advances to Suppliers	52,05,715	44,02,330
Prepaid expenses	4,51,209	13,59,105
Balances with government authorities	5,62,236	88,79,236
Advances recoverable in kind for value to be received	-	2,14,09,588
Others	2,54,756	-
Total	64,73,917	3,60,50,258

Note No. 14: Non-current borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Bonds / debentures	-	-
Redeemable preference shares	-	-
Term loans	-	-
- From banks	-	-
- From other parties	-	2,48,27,949
*Loan from DSIR	9,00,00,000	9,00,00,000
Loan from NSDC	1,97,59,974	2,15,56,336
Deposits	-	-
Loans from related parties	-	-
Loans from Others	25,00,000	-
Total	11,22,59,974	13,63,84,285
Secured	-	-
Unsecured	11,22,59,974	13,63,84,285
Total	11,22,59,974	13,63,84,285

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

*Note: As per the TDDP Scheme of the DSIR, the financial support so provided is to be repaid on successful commercialisation of the technology but instead of waiting for the same, DSIR invoked Arbitration Clause, as against their own admission of pending commercialisation vide their letter dated 14th February, 2014. The Sole Arbitrator preferred to ignore commercialisation of the project, a precondition of the repayment of the grant given by the DSIR for Development, Demonstration & Commercialisation of the above project. As against the order of the Arbitrator, the Company has appealed in the Delhi High Court, awaiting the date of hearing.

Note No. 15: Non-current provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (net)	8,96,917	6,72,672
Total	8,96,917	6,72,672

Note No. 16: Deferred Tax Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening Balance	83,52,924	1,35,31,794
Adjustments during the year		
Profit and Loss	20,62,770	(7,31,171)
Other Comprehensive Income	51,81,250	(44,47,699)
Total	52,34,444	83,52,924

Note No. 17: Current Borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Loans Repayable on Demand	-	-
- From banks	-	-
- From other parties	-	-
Loans and advances from related parties	-	1,78,50,596
Deposits	15,00,000	15,00,000
Total	15,00,000	1,93,50,596
Break -up:		
Secured		
Unsecured	15,00,000	1,93,50,596
	15,00,000	1,93,50,596



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 18: Trade Payables - Current

Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade payables:		
-For Goods	38,358	1,32,506
-For Services	6,25,033	15,51,255
Due to related parties	-	6,32,186
Due to Micro Enterprises and Small Enterprises	-	-
Total	6,63,391	23,15,947

From above payable to Micro Small Medium Enterprises

	Year Ended March 31st 2021	As at 31 March, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
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 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 No. 19: Other current financial liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current maturities of long-term debt	-	75,72,468
Salary Payable	18,13,991	9,49,906
Other payables	-	10,72,834
Total	18,13,991	95,95,208



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 20: Other current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Statutory dues payable	99,192	58,589
GST payable	3,58,476	1,16,52,022
Provident Fund payable	85,610	60,725
Income tax (TDS payable)	6,06,191	2,41,056
Advances from customers	13,72,908	13,66,188
Others	18,596	-
Total	25,40,973	1,33,78,580

Note No. 21: Current Provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (net)	24,60,567	20,12,279
Provision for taxation	1,00,54,638	33,60,250
Total	1,25,15,205	53,72,529

Note 22: Revenue from operations

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Sale of Stock in Trade		
Electric and Electronic Equipment	9,95,20,731	11,18,28,721
Sale of services		
Data Destruction charges	83,74,971	1,01,19,024
Other operating revenues	1,87,56,673	-
Total	12,66,52,374	12,19,47,745

Note No. 23: Other Income

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Gains from sale of shares held as Investment	5,03,76,059	58,83,875
Sundry balances written back	-	25,84,713
Dividend	10,99,544	2,94,670
Gain / (loss) on shares measured at fair value through profit or loss	61,32,783	-
Membership fees	1,00,000	40,000
Other Non operating income	1,35,675	10,84,905
Interest income	2,98,843	2,39,874
Total	5,81,42,904	1,01,28,037

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 24: Purchases of goods

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Purchases of electrical waste and electronic equipment	3,75,98,400	4,01,24,438
Total	3,75,98,400	4,01,24,438

Note 25: Changes in inventories of finished goods, stock in trade, work in progress

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Opening inventories		
Finished goods	2,65,45,373	2,87,34,627
Stock in Trade	-	-
Work in progress	-	-
	2,65,45,373	2,87,34,627
Closing Inventories		
Finished goods	2,19,69,705	2,68,81,165
Stock in Trade	-	-
Work in progress	-	-
	2,19,69,705	2,68,81,165
Total	45,75,668	18,53,462

Note No. 26: Employee Benefit expenses

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Salaries, Bonus and Other Allowances to staff	66,20,582	67,99,725
Remuneration to Directors	1,13,46,962	63,95,704
Contribution to Provident and Other Funds	3,72,304	4,27,316
Gratuity and other long term employee benefits	3,24,245	3,24,245
Employee Welfare expenses	65,478	2,35,268
Total	1,87,29,571	1,41,82,258

Note No. 27: Finance Cost

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Interest expenses	29,89,920	80,32,299
Other Borrowing costs	1,13,425	-
Total	31,03,345	80,32,299

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 28: Other Expenses

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Rent, Rates and Taxes	75,64,957	77,26,483
Freight and Transportation	11,03,216	17,97,053
Travelling and Conveyance	26,272	25,97,230
Legal and Professional Charges	16,77,754	34,23,233
Retainership Expenses	1,07,143	-
Service tax credit written off	-	10,27,744
Advertisement expenses	16,09,296	51,85,562
Bad Debts	1,17,65,122	-
Insurance	7,64,004	6,49,657
Bank Charges	51,955	-
Printing and Stationery	91,159	4,22,357
Repairs and Maintenance	5,75,056	52,984
Electricity charges	3,02,609	3,63,700
Security charges	9,19,493	9,14,795
Payment to Auditors	2,68,600	2,50,000
Annual listing fees, and other expenses	5,79,299	3,00,000
Sales on shares held as investment	39,86,108	1,05,68,020
Loss due to fair value changes in equity shares	-	92,23,076
Miscellaneous Expenses	10,00,110	22,71,197
Membership & Subscription Fees	3,16,217	-
Sundry balances written off	2,05,64,337	2,92,677
Software License Expenses	20,051	-
Telephone and other communication expenses	2,86,178	3,49,086
Income Tax Paid	19,35,066	-
Postage & Courier Charges	1,16,244	-
Website AMC Charges	1,500	-
Business Promotion Expenses	51,530	-
Branding Expenses	14,500	-
Discount Given	11,712	-
Donation	1,47,095	-
Commission Paid	3,876	-
Data destruction charges	13,29,972	26,05,129
Penalty & Interest Paid	1,70,579	-
Office Expenses	69,232	-
Brokerage & Other Charges	3,37,986	-
Exchange Rate Fluctuation	86,208	-
Motor Car & Vehicle Expenses	16,668	-
Other Factory expenses	24,08,976	8,81,090
Total	6,02,80,081	5,09,01,072

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 29: Disclosure in Respect of Leases:

Operating Lease: Company as Lessee

The Company's leasing arrangements are in respect of operating leases for factory and office premises occupied by the Company. These leasing arrangements are cancellable except during the lock in period, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a) The total of future minimum lease payments during lock in period of operating leases for each of the following periods:

Particulars	2020-2021	2019-2020
i) Not later than one year	74,75,880	74,75,880
ii) Later than one year and not later than five years	-	-
b) Lease payments recognized in the Statement of Profit and Loss for the period.	74,75,880	76,25,880

Note No. 30: Contingent Liabilities

Particulars	2020-2021	2019-2020
Guarantee given by Bank on behalf of the Company Secured against equal fixed deposits, standing bank guarantee in favour of The Customs, JNPT	18,10,000	18,10,000
*Corporate Guarantee to National Skills development Corporation on behalf of its 100% subsidiary Ecoreco Enviro Education Pvt. Ltd.	2,49,64,139	2,49,64,139
*Outstanding as on 31.03.2021 (Previous Year 31.03.2020)	1,97,59,974	2,15,56,336

Note No. 31: Payment to Auditors

Particulars	2020-2021	2019-2020
Audit Fees	2,20,000	2,20,000
Tax Audit Fees	50,000	50,000
Total	2,70,000	2,70,000

Note No. 32: Earnings in Foreign Currency

Particulars	2020-2021	2019-2020
Service Charges	1,62,73,512	8,10,074
Total	1,62,73,512	8,10,074

Note No. 33: The Company was maintaining a demat and a trading account with Keynote Capital Limited for its investment in equity shares in the secondary market. In the year 2013-14 Keynote misappropriated 20,56,234 Nos. of shares worth Rs. 4,48,55,092 from its demat account and sold in the market under the pretext of an alleged recovery of debit balance in the derivative segment. The company filed a complaint against Keynote with SEBI & NSE. The matter was referred to Arbitration and your company won at both the levels of the Arbitration. Now the matter is pending before The High Court of Mumbai and we are waiting for an early hearing and the decision in the matter at the earliest.

Note No. 34: The Company had entered in to an agreement with KUD Realtors Pvt. Ltd, Mumbai for purchase of 10 acres of land for a consideration of Rs. 650 lacs for setting up its e-waste recycling project at Kharbao, Bhiwandi and paid Rs.615 lacs against the above. As of now, M/s KUD Realtors Pvt Ltd, could convey 5.78 acres of land in favor of the company and for the remaining amount they have offered some warehouses and incomplete construction at the same site.

With the help of local Gram Panchayat, we are gradually getting physical possession of the assets acquired from KUD and hope to resolve the issues in near future.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 35:

Balances of some of the trade receivables, trade payables and creditor of expenses, loans & advances (given and taken) and loans , are subject to confirmation from the respective parties and consquential adjustments arising from reconcilaition if any. The management, however is of the view that there will be no material adjustments in this regards.

Note No. 36:

The company is in the business of E-waste Recycling and Asset Management.

Note No. 37: Related Party Transactions

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below "

i) Relationships :

(a) Holding Company :-

Ecoreco Ventures Private Limited

(b) Entities controlled by Directors:-

Reverse Logistics & Warehousing Private Limited

Ecoreco Park Private Limited

Eco Remarketing Pvt Ltd

Data De-End Private Limited

Reverse E-Commerce Private Limited

EPR Compliance Private Limited

(c) Key Management Personnel :-

Mr. Brijkishor Soni - C.M.D.

Mrs. Aruna Soni - Executive Director

Mr. Srikrishna B. - Independent Director

Mr. Shashank Soni - Executive Director & CFO

Mr. Dattatraya Devele - Independent Director

Mr. Giriraj Bhattar - Independent Director

(appointed wef 12th Februrary,2021)

Mr. Ravi Varma - Independent Director

(resigned wef 10th December, 2020)

ii) Transaction With Related Parties :-

(Amount in Rs.)

Particulars	Key management personnel	Holding/ Subsidiary	Associates
Remuneration	1,02,00,000	-	-
(Previous Year)	(64,00,000)	-	-
Sitting Fees	1,60,000	-	-
(Previous Year)	(1,70,000)	-	-
Rent	18,00,000	-	-
(Previous Year)	(19,50,000)	-	-
Sales	-	-	1,88,125
(Previous Year)	-	-	(15,89,773)
Direct expenses (Data Destruction Charges)	-	-	13,29,972
(Previous Year)	-	-	(30,74,057)
Closing Balance at the year end			
Deposit given	4,50,00,000	-	-
(Previous Year)	(4,50,00,000)	-	-
Trade receivables	-	-	-
(Previous Year)	-	-	(73,29,365)

NOTE: Related party relationship is as identified by the company and relied upon by the Auditors

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Note No. 38: Earnings per share

PARTICULARS	Year Ended March 31 2021	Year Ended March 31 2020
Earnings per share has been computed as under :		
(a) Profit and Loss for the period	4,47,47,988	1,10,88,260
(b) Weighted Average of number of equity shares outstanding	1,92,96,750	1,92,96,750
Earnings per Share - BASIC	2.32	0.60
Diluted earnings per share is the same as basic earnings per share		

Note No. 39: Fair value measurements

The carrying value and fair values of financial assets and financial liabilities by categories as at March 31, 2021 is as follows:

(A) Financial instruments by category						
Particulars	31-Mar-21			31-Mar-20		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
Financial assets						
Investments	84,99,990	2,34,71,020	5,11,53,577	84,99,990	1,24,82,643	1,79,52,813
Trade receivables	1,09,60,255	-	-	2,41,50,759	-	-
Loans	5,32,91,553	-	-	4,98,94,258	-	-
Other Financial Assets	67,91,553	-	-	39,94,969	-	-
Cash and cash equivalents	35,70,224	-	-	2,19,406	-	-
Total financial assets	8,31,13,576	2,34,71,020	5,11,53,577	8,67,59,382	1,24,82,643	1,79,52,813
Financial liabilities						
Borrowings	9,40,00,000	-	-	16,33,07,349	-	-
Trade Payables	6,83,330	-	-	23,15,947	-	-
Other financial liabilities	18,13,991	-	-	95,95,208	-	-
Total Financial liabilities	9,64,97,321	-	-	17,52,18,504	-	-

(B) Fair value hierarchy						
Level 1: Quoted prices in active markets for identical assets and liabilities						
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets and liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices)						
Level 3: Inputs for assets and liabilities that are not based on observable market data (unobservable inputs)						
The Fair value hierarchy of assets and liabilities as at March 31, 2021 are as follows:						
Financial Assets	Note No.	Level 1	Level 2	Level 3	Total	
Investments in Equity instruments		7,46,24,597	-	-	7,46,24,597	
Investment in preference shares		-	-	-	-	
Total financial assets		7,46,24,597	-	-	7,46,24,597	

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

The Fair value hierarchy of assets and liabilities as at March 31, 2020 are as follows:					
Financial Assets		Level 1	Level 2	Level 3	Total
Investments in Equity instruments		3,04,35,456	-	-	3,04,35,456
Investment in preference shares		-	-	-	-
Total financial assets		3,04,35,456	-	-	3,04,35,456

Note No. 40: Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.	
Risk	Exposure arising from
Credit Risk	Trade receivables, financial assets measured at amortised cost
Liquidity Risk	Borrowings and other liabilities
Market risk – interest rate	Long-term borrowings at variable rates

a. Credit risk

The Company is exposed to credit risk, subject to that the counterparty defaults on its contractual obligation resulting in a financial loss

Credit risk arises from financial assets carried at amortized cost and, as well as credit exposures categorised under trade receivables

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk may arise from accounts receivables, at the same time Company's major clients include those who the Company regularly deals with and have high credit quality. Accordingly, the Company's customer credit risk is very low.

The Company is making provision for trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as below:

Particulars	31-Mar-21	31-Mar-20
Opening balance (provision for bad debts)	Nil	Nil
Changes in loss allowance (Provision for doubtful debts):	-	-
Loss allowance based on ECL	-	-
Additional Provision	-	-
Bad-debts	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Closing balance	Nil	Nil
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b. Liquidity risk

Liquidity risk is defined as risk that the company will not be able to settle or meet its obligations on time.

In respect of its existing operations, the Company has provided for the funds from its internal accruals and occasionally from intra group entities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The amounts disclosed below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

As at 31st March,2021	Less than 1 year	Between 2 year and 5 years	More than 5 years	Total
Financial liabilities				
Borrowings from financial institutions	-	-	-	-
Trade payables	6,83,330	-	-	6,83,330
Other financial liabilities	18,13,991	-	-	18,13,991
Others	-	-	-	-
Total financial liabilities	24,97,321	-	-	24,97,321

c. Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk and b) Interest rate risk.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company does not have any foreign currency loans, receivables or payables, hence the risk towards foreign currency risk is not applicable to the Company.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS-107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Capital Management

i. Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity and debt on a periodic basis. Equity comprises all components of equity. Debt includes term loan and short term loans. The following table summarizes the capital of the Company:

Particulars	31-Mar-21	31-Mar-20
Equity (excluding other reserves)	19,29,67,500	19,29,67,500
Debt (current maturities and interest due)	-	-
Total	19,29,67,500	19,29,67,500

Signature to Notes 1 to 40

For Talati & Talati LLP

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No. 110758W / W100377

Bhaskar R Iyer

Partner

Membership No.: 127863

Mumbai | 25th June, 2021

B. K. Soni

Managing Director

DIN: 01274250

Shashank Soni

Director & Chief Financial Officer

DIN: 06572759

Aniruddha Badkatte

Company Secretary



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