
Regd. Office : National Highway No.8, Water Works Cross Road, Abrama-Valsad 396002, Gujarat.

CIN- L25200GJ1981PLC004375

Tuesday, August 1, 2023

To
BSE Limited
P. J. Towers, Dalal Street,
Fort, Mumbai 400001

Scrip code: 526703

Sub.: Annual Report for the financial year 2022-23

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the financial year 2022-23.

The annual report also available on the company's website at www.ecoplastindia.com

We request you to take the same on record.

Thanking you

Yours faithfully
For Ecoplast Limited

Rakesh Kumar Kumawat
Company Secretary & Compliance Officer

Encl: As above



Ecoplast Limited

41st Annual Report 2022-23

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Ecoplast Limited

Annual Report 2022-23

Board of Directors	Mukul B. Desai - Chairman Jaymin B. Desai - Managing Director Dhananjay T. Desai - Director Bhupendra M. Desai - Director Charulata N. Patel - Director Atul J. Baijal - Whole-time Director
Company Secretary & Compliance Officer	Rakesh Kumar Kumawat
Chief Financial Officer	Vaibhav Kumar Totla
Bankers	Bank of Baroda Main Branch, Nani Khatriwad, Valsad 396 001, Gujarat.
Auditors	Y. B. Desai & Associates Chartered Accountants 1/573, 1 st Floor, Gajanand Complex, Por Maholla, Near Anand Hospital, Nanpura, Surat – 395001 .
Share Registrars & Transfer Agents	TSR Consultants Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083
Registered Office	National Highway No.8, Water Works Cross Road, Abrama, Valsad - 396002. Gujarat. email : investor@ecoplastindia.com
Head Office	Unit No.1309 & 1310, 13 th Floor, Hubtown Solaris N.S Phadke Road, Andheri (East), Mumbai : 400069.
Website	www.ecoplastindia.com
CIN	L25200GJ1981PLC004375

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NOTICE

Notice is hereby given that the **41st Annual General Meeting** of the members of Ecoplast Limited will be held on Saturday, 2nd September, 2023 at 12.00 Noon at 'Shantivan Resort', Atul-Valsad Road, Vashiyar, Valsad-396001 Gujarat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended 31st March 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2023.
3. To appoint a director in place of Ms. Charulata Patel (DIN: 00233935) who retires by rotation and, being eligible, offers herself for re-appointment.

Registered Office:
National Highway No. 8,
Water Works Cross Road,
Abrama, Valsad- 396002, Gujarat
CIN: L25200GJ1981PLC004375
Tel: 9879554138
E-mail: investor@ecoplastindia.com
Website: www.ecoplastindia.com

By Order of the Board

Rakesh Kumar Kumawat
Company Secretary &
Compliance Officer
ICSI M. No. A37556

Date: 25th May, 2023
Place: Valsad

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND IN HOLDING NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES/ AUTHORISED REPRESENTATIONS SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.

2. Brief Details of the director, who are seeking appointment/ re-appointment, are provided in the Notice as provided under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and Secretarial Standard- 2 on General Meetings issued by the Institute of Company Secretaries of India.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday 26th August, 2023 to Saturday 2nd September, 2023 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 25th August, 2023. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 25th August, 2023 as per the details furnished by the Depositories for this purpose.
4. The dividend, if any, declared at the Annual General Meeting will be payable on or after 15th September 2023.
5. Members seeking any information with regard to the Accounts are requested to write to the Company at least seven days prior to the meeting, so as to enable the Management to keep the information ready at the Meeting.
6. All correspondence relating to change of address, dividend mandates etc. should be sent to the Registrar & Share Transfer agents quoting their folio numbers only at the following address:

M/s TSR Consultants Private Limited (RTA), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083, Maharashtra.
7. In terms of Section 124 of the Companies Act, 2013 dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred by the Company to the Investor Education and Protection Fund Authority established by the Central Government pursuant to sub-section (1) of Section 125 of the Companies Act, 2013. In terms of Section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been claimed for seven consecutive years or more shall also be transferred by the company to the demat account of Investor Education and Protection Fund Authority. Any claimant of shares transferred as above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund Authority in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in web Form No. IEPF-5 (available on www.iepf.gov.in).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
9. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrars and Transfer Agents, TSR Consultants Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to csg-exemptforms@tsrdarashaw.com by 11:59 p.m. IST on 25th August 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to Csg-exemptforms@tsrdarashaw.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 25th August 2023.

10. In view of Regulation 40 of the Listing Regulations, as amended with effect from April 1, 2019, securities of listed companies can now be transferred only in the dematerialized form, except in case of request received for transmission or transposition of securities.

Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Members holding shares in physical form are therefore requested to convert their holdings into the dematerialized mode to avoid loss of shares and fraudulent transactions and better investor servicing.

11. The Notice of the AGM along with the Annual Report for the FY 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless the Member has requested for a physical copy of the same. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with RTA/ Depositories.
12. Members may also note that this Notice of the Annual General meeting and the Annual Report for the year 2022-23 will be also available on the Company's Website: www.ecoplastindia.com for download.
13. All documents referred to in the notice of the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 A.M. and 1.00 P.M. except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.
14. A route map giving directions to reach the venue of the 41st Annual General Meeting is given at the end of the Notice.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars and the SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited

(CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by CDSL.

16. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
17. Process and manner for remote e-voting are as under:

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Wednesday 30th August, 2023 (9.00 AM) and ends on Friday 1st September, 2023 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26th August, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Voting at the AGM Shall be through physical ballot paper. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue on such resolutions.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, 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.

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.

Step 1 : Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) 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 abovesaid SEBI Circular, Login method for e-voting **for Individual shareholders holding securities in Demat mode** 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 e-voting is in progress as per the information provided by company. On clicking the e-voting 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. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration and click on login & new system myeasi tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL Ide-AS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.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.

	<p>2) If the user is not registered for Ide-AS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. 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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 toll free No. 1800 22 55 33.
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 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-voting for physical shareholders and shareholders other than individual holding in Demat form.

- 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 physical Shareholders other than individual holding shares in Demat 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.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Ecoplast Limited.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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 and enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –Remote Voting only.**
 - 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that, 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; eco.scrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 RTA's i.e. csg-unit@tcplindia.co.in
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.

If you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

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 at toll free no. 1800 22 55 33.

18. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 26th August, 2023.
19. If a Member cast votes by remote e-voting and at the AGM through Ballot, then vote cast through remote e-voting shall prevail and vote cast through Ballot at the AGM shall be treated as invalid. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again on such resolutions.
20. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc. to their Depository Participants only and not to the Company's Registrar and Transfer Agent. Changes intimated to the Depository Participants will be automatically reflected in the Company's records. The Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. TSR Consultants Private Limited or the Company Secretary of the Company, which will help the Company and its Registrar and Transfer Agent to provide efficient and better service to the members.
21. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio
22. Members are requested to bring their copies of Annual Report at the meeting along with attendance slip.
23. In case of joint holders attending the meeting, the joint holder who is higher in the order of name will be entitled to vote at the meeting.
24. Corporate Members intending to send their Authorised Representative to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the Annual General Meeting.
25. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evotingindia.com.
26. Mr. P.N. Parikh (Membership No FCS: 327 CP: 1228) and failing him Mr. Mitesh Dhabliwala (Membership No FCS: 8331, CP: 9511) and failing him Ms. Sarvari Shah (Membership No FCS: 9697, CP: 11717) of Parikh & Associates., Practicing Company Secretaries, (Address : 111, 11th Floor, Sai Dwar CHS Ltd., Sab TV Lane, Opp. Laxmi Industrial Estate, Off Link Road, Andheri (West), Mumbai - 400053.) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and votes cast at the AGM in a fair and transparent manner.
27. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting, scrutinize the vote casted through remote e-voting and voting at the meeting and make not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's

Ecoplast Ltd

Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ecoplastindia.com and on the website of CDSL www.evotingindia.com within two working days of conclusion of the AGM of the Company and communicated to BSE Limited. The results shall also be placed on the notice board at the Registered Office of the Company.

Registered Office:
National Highway No. 8,
Water Works Cross Road, Abrama,
Valsad- 396002, Gujarat
CIN: L25200GJ1981PLC004375
Tel: 9879554138
E-mail : investor@ecoplastindia.com,
Website : www.ecoplastindia.com

By Order of the Board
For Ecoplast Limited

Rakesh Kumar Kumawat
Company Secretary &
Compliance Officer
ICSI M. No. A37556

Place: Valsad
Date: 25th May, 2023

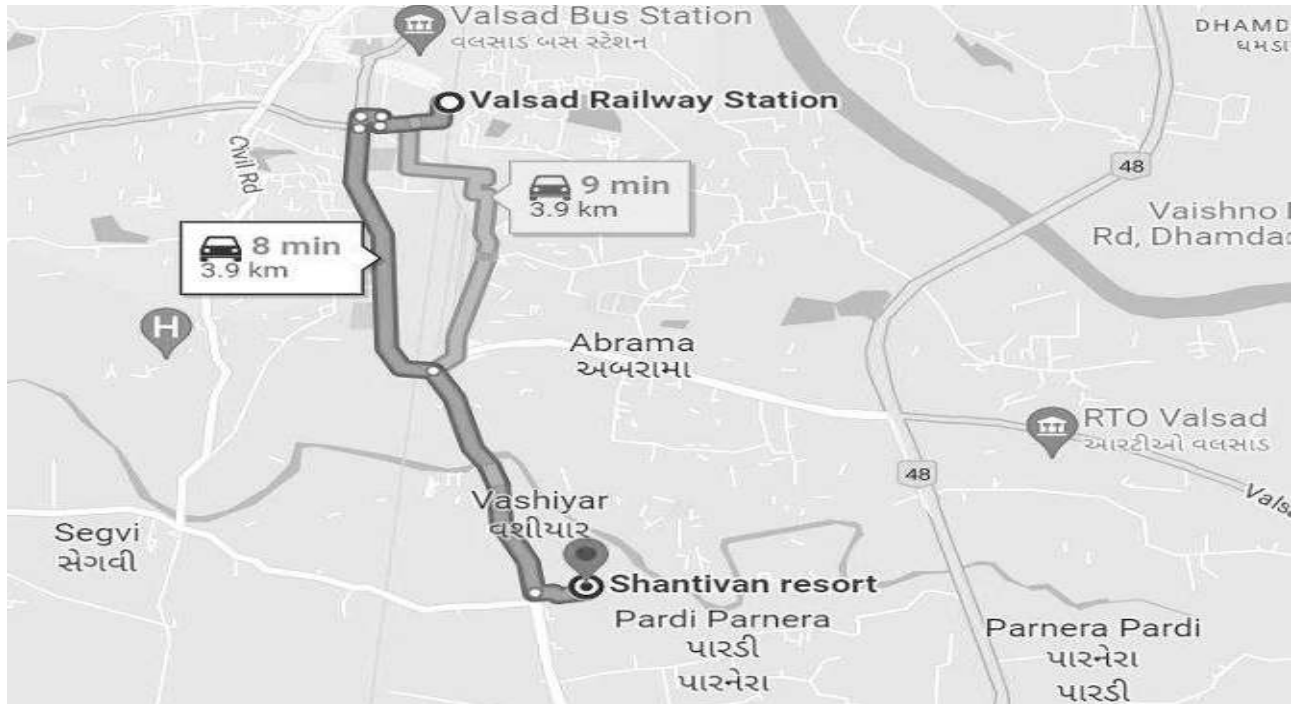
Details of Directors being appointed/ re-appointed as required under Secretarial Standards-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Ms. Charulata Patel
Date of Birth, Age	13/07/1963, 60 Year
DIN	00233935
Nationality	Indian
Date of appointment	08/11/2014
Qualification	MBBS
Expertise in specific functional areas	Business experience over 27 years.
Terms and conditions of appointment/ re-appointment	Not Applicable
Details of Remuneration sought to be paid	Sitting fees for attending Board Meetings and Committee Meetings, if any, where she is a member. Payment of Commission as per the provisions of the Companies Act, 2013.
Shareholding in the Company	14.03%
Directorships held in other Companies	Kunal Plastics Private Limited Giridev Investment Pvt. Ltd.
Membership/ Chairmanship of Committees of other Companies	-
Listed Entities from which he/she has resigned as Director in past 3 years	Nil
Relationship between Directors inter-se	No relation with other directors.
Justification for choosing the appointees for appointment as Independent Directors	Not Applicable

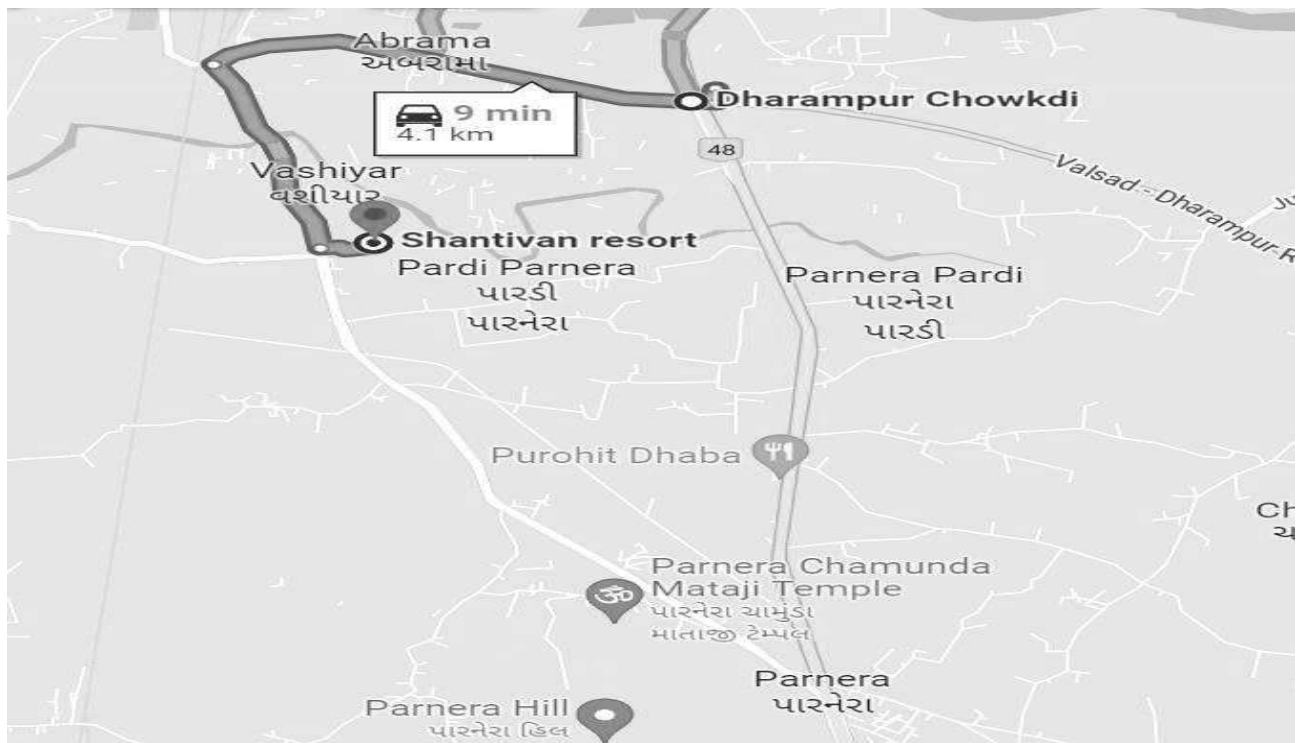
For other details such as number of meetings of the Board attended during the year, remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.

ROUTE MAP TO THE VENUE OF AGM: 'SHANTIVAN RESORT', ATUL-VALSAD ROAD, VASHIYAR, VALSAD- 396001, GUJARAT.

Route from Valsad Railway Station



Route from Dharmpur Valsad Chowkadi



BOARD'S REPORT

To

The Members,

The Directors are pleased to present their 41st Annual Report and Audited Financial Statements for the year ended 31st March, 2023.

FINANCIAL SUMMARY:

(Rs. in 000')		
Particulars	31/03/2023	31/03/2022
Net sales	9,60,138	9,41,143
Other income	38,998	8,468
Sales and other income	9,99,136	9,49,611
Operating profit (loss) before depreciation and tax	86,508	769
Depreciation	24,530	26,593
Profit (loss) before tax	61,978	(25,824)
Tax expenses		
Current tax	8,472	374
Deferred tax	9,741	(7,875)
Tax in respect of earlier years	(689)	(707)
Profit (loss) after tax	44,454	(17,616)

Operations/ State of Company's Affairs:

During the year under review, though the sales value increased marginally to 9,60,138 (Rs. in 000') from 9,41,143 (Rs. in 000') in the previous year, the company earned a net profit of 44,454 (Rs. in 000') as compared to a net loss of 17,616 (Rs. in 000') in the previous year.

The Company overcame numerous challenges it faced in last year on account of covid and the fire incidents and took a lot of strategic steps to improve sales of specialty (high contributory products) and move away from low contributory products.

Necessary steps were taken in order to improve internal efficiencies. Strategic efforts were also made to streamline the supply chain and make it more robust, change the product mix, and target new applications, customers, and markets. All these steps resulted in improved performance and a healthier bottom line in comparison to the previous year.

It was also decided to exit the commodity business for time being and focus on specialty products in the coming year. This decision along with the strategic steps taken in FY 2022-23 will help to make the company to improve its performance in the coming FY 2023-24.

The old office premises at Mumbai was sold and a one-time gain of 21,449 (Rs. in'000) Also added to the bottom line.

No material changes have occurred from the end of the financial year till the date of this report affecting the Company's financial position.

No significant and material orders have been passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in the future during the year under review.

There has been no change in the nature of the Business of the Company during the year.

Safety measures against Covid continued as a precautionary step.

DIVIDEND:

The Board of Directors have recommended a dividend of Rs. 1.5 per equity share (15%) for the financial year 2022-23 (previous year Rs. Nil) for the approval at the Annual General Meeting. The Dividend if approved, will result in a cash outflow of Rs. 45 lacs (previous year Rs. Nil)

TRANSFER OF AMOUNTS TO ANY RESERVE:

The Company was not required to transfer any amount to any reserve during the financial year.

BOARD MEETINGS:

The Board of Directors met five times during the Financial Year 2022-23. The dates of the Board meetings have been mentioned in the Corporate Governance Report which forms part of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Ms. Charulata Patel (DIN: 00233935), Director of the Company would retire by rotation, at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

Mr. Vaibhav Kumar Totla, was appointed as Chief Financial Officer of the Company w.e.f. 1st April, 2022.

DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declarations from each of the Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 that they meet the criteria of Independence laid down in Section 149(6) of the Act and SEBI Regulations and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

In compliance with the requirements of Listing Regulations, the Company has put in place a familiarization program for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also available on the website of the company at www.ecoplastindia.com.

AUDIT COMMITTEE:

The Audit Committee of the Board has been constituted in terms of Listing Regulations and Section 177 of the Act. The constitution and other relevant details of the Audit Committee are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS:

The Remuneration Policy for directors and senior management and the Criteria for selection of candidates for appointment as directors, independent directors and senior management are placed on the website of the Company at www.ecoplastindia.com

There has been no change in the policies since the last fiscal year.

We affirm that the remuneration paid to the directors is as per the terms laid out in the remuneration policy of the Company.

VIGIL MECHANISM:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism formulated by the Company provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director/ Chairman of the Audit Committee in exceptional cases. The said Whistle Blower Policy has been disseminated on the Company's website at www.ecoplastindia.com

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors 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 and of the profit of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors, have laid down internal financial controls to be followed by the company in consultation with the experts and that such internal financial controls are adequate and were operating effectively.

- (f) the directors have devised proper systems in consultation with the experts to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has a proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations; and
- Transactions being accurately recorded and reported timely.
- The Company has a budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.
- The Internal Auditor also regularly reviews the adequacy of internal financial control system.

SUBSIDIARY COMPANY:

A Statement Containing the Salient features of the Financial Statements of the subsidiary Company is annexed as Annexure- I as a part of this Report.

During the year under review, no Company has become or ceased to be Company's subsidiary, joint venture or associate company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company along with relevant documents and separate audited financial statements in respect of the subsidiary are available on the website of the Company at www.ecoplastindia.com.

ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed there under, the Annual Return for the financial year 2022-23 is uploaded on the website of the Company. The same is available on www.ecoplastindia.com

AUDITORS:

As per the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Y.B. Desai & Associates, Chartered Accountants, Surat, (ICAI Registration No. 102368W) were re-appointed as Statutory Auditors of the Company at the 40th Annual General Meeting for second term of five years from the conclusion of 40th Annual General Meeting till the 45th Annual General Meeting to be held in the year 2027.

PARTICULARS OF FRAUDS, IF ANY REPORTED UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

No frauds have been reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2022-23.

Secretarial audit report of the Company as provided by Parikh & Associates, Practising Company Secretaries is annexed to this Report as Annexure- II.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

The Statutory Auditors' Report and Secretarial Auditor's Report do not contain any qualifications, reservations or adverse remarks.

COST AUDITORS:

The provisions of section 148 (2) for appointment of Cost Auditors are not applicable to the Company. The Company has maintained the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

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

Information in accordance with Clause (m) of Sub-section (3) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure -III.

DEPOSITS:

The Company has not accepted any deposits during the year under report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

As on 31st March 2023 the Company has made the following Investments under section 186 of the Companies Act, 2013.

Investments; 7,319/- (Rs. in 000') for 11,95,360 Equity Shares of Rs. 10 each fully paid up in Synergy Films Private Limited (Wholly Owned Subsidiary).

RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy which is implemented throughout the Organisation; Special Emphasis on Risk Management is given during the Annual Budgeting Process and Periodical Monthly Meetings.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

To fulfil its CSR Obligations, the Company has spent an amount of 262 (Rs. in 000') for the year as CSR contribution towards the operating expenditure of running the special school Jaina Anupam N Parmar Charitable Trust, which is a not-for-profit organization located at Valsad devoted to work for children/ adult with intellectual and developmental disabilities and running the special school.

Ecoplast Ltd

This NGO has been running the special school for the mentally challenged children/adult under the name and style of Jalaram Manos Vikas Kendra at Valsad.

Information in accordance with The Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report as Annexure -IV.

RELATED PARTY TRANSACTIONS:

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 are annexed as Annexure- V to this Report.

FORMAL ANNUAL EVALUATION:

An annual evaluation of the Board's own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
1.	Each Individual director	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.
2.	Independent directors;	Entire Board of Directors excluding the director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.
3.	Board, and its committees	All directors	Board composition and structure; effectiveness of Board processes, information and functioning, fulfilment of key responsibilities, performance of specific duties and obligations, timely flow of information etc. The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.

PARTICULARS OF EMPLOYEES:

Pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed as Annexure -VI to this Report.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has not received any complaint of sexual harassment during the financial year 2022-23.

LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2023-24 to BSE where the Company's Shares are listed.

INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE:

The Board of Directors has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website www.ecoplastindia.com

CORPORATE GOVERNANCE:

As per Listing Regulations, a separate section on Corporate Governance forms part of this report. A Certificate from Parikh & Associates, Practicing Company Secretary confirming compliance of Corporate Governance forms part of this Report.

Certificate of the CEO & CFO, confirming the correctness of the financial statements, compliance with the Company's Code of Conduct and the Audit Committee in terms of Regulation 17 of the Listing Regulations is attached in the Corporate Governance report and forms part of this report.

MANAGEMENT DISCUSSION ANALYSIS:

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.

SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE:

During the financial year no application was made or any proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable during the financial year.

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to Customers, Suppliers, Bankers, other Stakeholders and specially the employees for their co-operation. The Directors also appreciate the confidence reposed in the Management of the Company by its shareholders.

For and on behalf of the Board of Directors

Date: 25th May, 2023
Place: Valsad

Jaymin B. Desai	Atul Baijal
Managing Director	Whole-time Director
DIN: 00156221	DIN: 09046341

ANNEXURE –I
Form No. AOC- 1

Salient features of the Financial Statement of the Subsidiary Company

				As at 31 March, 2023	As at 31 March, 2022
1)	Name of Subsidiary Company	:	Synergy Films Private Limited		
2)	Reporting Currency	:	INR		
				(Rs. in 000)	(Rs. in 000)
3)	Capital	:	Rs.	11,954	11,954
4)	Reserves	:	Rs.	(4,635)	(4,683)
5)	Total Assets	:	Rs.	7,653	8470
6)	Total Liabilities	:	Rs.	7,653	8470
7)	Investments	:	Rs.	-	-
8)	Turnover	:	Rs.	2,150	1624
9)	Profit/ (Loss) Before Tax	:	Rs.	49	(268)
10)	Provision for Taxation	:	Rs.	Nil	Nil
11)	Profit/ (Loss) After Tax	:	Rs.	49	(268)
12)	Proposed Dividend	:	Rs.	Nil	Nil
13)	Country	:	India		
14)	% of Shareholding	:		100%	100%

Date: 25th May, 2023
Place: Valsad

For and on behalf of the Board of Directors

Jaymin B. Desai
Managing Director
DIN: 00156221

Atul Baijal
Whole-time Director
DIN: 09046341

Rakesh Kumar Kumawat
Company Secretary

Vaibhav Kumar Totla
Chief Financial Officer

ANNEXURE –II

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
Ecoplast Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ecoplast Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;(Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws specifically applicable to the Company namely

(a) The Air (Prevention & Control of Pollution) Act, 1981

(b) Hazardous Waste (Management and Handling) Rules, 1989

(c) Plastic Waste Management Rules, 2016

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review

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

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events have occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates

Company Secretaries

Place: Mumbai
Date: May 8, 2023

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331E000271913
PR No.: 1129/2021

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

Ecoplast Ltd

‘Annexure A’

To,
The Members,
Ecoplast Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 Accounts of the Company.
4. Wherever 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 Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 8, 2023

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN:F008331E000271913
PR No.: 1129/2021

ANNEXURE –III

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

A. CONSERVATION OF ENERGY:

- | | |
|---|---|
| i. Steps taken / impact on conservation of energy | Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. |
| ii. Steps taken by the company for utilizing alternate sources of energy including waste generated: | |
| iii. Capital investment on energy conservation equipment: | |

B. TECHNOLOGY ABSORPTION:

- | | |
|---|--|
| i. Efforts, in brief, made towards technology absorption | The Company continues to use latest technologies for improving the productivity and quality of its products. |
| ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: | |
- iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
- Details of technology imported.: The Company has not imported any technology.
 - Year of import.: Not Applicable.
 - Whether the technology been fully absorbed: Not Applicable.
 - If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.: Not Applicable.
- iv. Expenditure incurred on Research and Development

Sr. No	Particulars	31/03/23 (Rs. in 000')	31/03/2022 (Rs. in 000')
a)	Capital Expenditure	338	2,508
b)	Recurring Expenditure	5,218	4,191
	Total Expenditure	5,556	6,699

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sr. No.	Particulars	31/03/2023 (Rs. in 000')	31/03/2022 (Rs. in 000')
a)	Foreign Exchange Earnings	138,872	121,419
b)	Foreign Exchange Outgo	221,075	270,985

ANNEXURE –IV

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company: At Ecoplast Limited, Corporate Social Responsibility is to provide environment to the society in which all level of people gets opportunity of financial growth and opportunity to live in Clean, Green and Eco-friendly Environment.
2. Composition of CSR Committee:
The Corporate Social Responsibility expenditure of the company does not exceed Rs. 50 lacs during the year therefore the constitution of the Corporate Social Responsibility Committee is not applicable on the Company and the function of the CSR Committee discharged by the Board of Directors of the Company.
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.ecoplastindia.com
4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 if applicable: Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of 135: Rs. 1,30,74,112/-
(b) Two percent of average net profit of the company as per sub-section (5) of Section 135: Rs. 2,61,482/-
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil
(d) Amount required to be set-off for the financial year, if any: Nil
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 2,61,482/-
6. (a) Amount spent on CSR projects (both ongoing projects and other than ongoing projects): Rs. 2,62,000/-
(b) Amount Spent in Administrative Overheads.: Nil
(c) Amount spent on Impact Assessment, if applicable.: Nil
(d) Total amount spent for the financial year [(a)+(b)+(c)]: 2,62,000/-
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2,62,000/-	Nil	N.A.	N.A.	Nil	N.A.

(g) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount in Rs.
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	2,61,482
(ii)	Total amount spent for the financial year	2,62,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	518
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(V)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	518

7. (a) Details of Unspent corporate social responsibility amount for the preceding three financial years: N.A

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred Unspent CSR Account under sub-section (6) of 135 (in Rs.)	Balance Amount in unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section 135, if		Amount remaining to be spent in succeeding financial years. (In Rs.)	Deficiency, if any
					Amount (Rs.)	Date of Transfer		
Nil								

8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year: No

If yes, enter the number of capital assets created/ acquired: Nil

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. no	Short particulars of the property or asset(s) [including complete address of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Reg. No. of applicable	Name	Registered address
Nil							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of 135: Not Applicable

For and on behalf of the Board of Directors

Date: 25th May, 2023
Place: Valsad

Jaymin B. Desai Atul Baijal
Managing Director Whole-time Director
DIN: 00156221 DIN: 09046341

ANNEXURE –V
FORM NO. AOC 2
Related Party Transactions disclosure

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

Form for disclosure of particulars of contracts/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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into contracts or arrangements or transactions with Related Party which are not at arm's length basis hence not required to make any disclosure under this heading.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The Company has not entered into any material contract or material arrangement or material transactions with related party on arm's length basis. Hence not required to make any disclosure under this heading.

For and on behalf of the Board of Directors

Date: 25th May, 2023
Place: Valsad

Jaymin B. Desai	Atul Baijal
Managing Director	Whole-time Director
DIN: 00156221	DIN: 09046341

ANNEXURE –VI

PARTICULARS OF EMPLOYEES

A. The information as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2018 is given hereunder.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sr. No.	Name of Director/KMP	Ratio to Remuneration of Median Remuneration
i.	Jaymin B. Desai	37.92
ii.	Atul Baijal	20.15
iii.	Charulata N. Patel	0.96
iv.	Dhananjay T. Desai	-
v.	Mukul B. Desai	1.17
vi.	Bhupendra M. Desai	1.17

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sr. No.	Name of Director/KMP	Percentage Increase in Remuneration
i.	Jaymin B. Desai	-
ii.	Atul Baijal	6.43
iii.	Charulata N. Patel	51.10
iv.	Dhananjay T. Desai ^(a)	N.A.
v.	Mukul B. Desai	58.08
vi.	Bhupendra M. Desai	58.08
vii.	Rakesh Kumar Kumawat- CS ^(b)	N.A.
viii.	Vaibhav Kumar Totla-CFO ^(c)	N.A.

Note:

- Mr. Dhananjay T. Desai, Director has waived his right to receive any kind of remuneration, as pre-condition for his appointment as the member of Board of Director and its Committees.
- Employed for the part of the year in FY 2021-22, therefore the remuneration can't be compared.
- Employed during the financial year 2022-23 only, therefore the remuneration can't be compared

3. The percentage increase in the median remuneration of employees in the financial year; 15.38%

4. The number of permanent employees on the rolls of company; 130

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial

remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average Increase in Salaries excluding Managerial Remuneration	2.58%
Average Increase in Managerial Remuneration	2.14%

6. Affirmation that the remuneration is as per the remuneration policy of the company: The Directors hereby confirm that the Company is paying remuneration to Directors and Employees as per the remuneration policy of the Company.
- B. Particulars of employee's remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

During the year under consideration, none of the employees of the Company were in receipt of remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 hence particulars as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not given.

Management Discussion and Analysis

Ecoplast Limited is one of India's reputed suppliers of multilayer co-extruded polyethylene and co-polymer films to the flexible packaging industry as well as a variety of other Industrial Applications around the world. The major focus now is high value added products and films for Specialty Applications for flexible packaging applications.

The Company has had a major role in the development of the flexible packaging industry in India; this industry uses multilayer polyethylene and co-polymer films for laminating to one or more substrates, such as polyester film, Biaxially Oriented Polypropylene film, often in combinations with aluminum foil and/or paper, depending upon the packaging system and the product to be packed. The multilayer film forms the inner most layer- the heat seal layer- of the laminate, which is in contact with the packed product and is a critical part of the laminate for ensuring shelf life of the packed product.

Since over three decades, the Company has been setting standards on high quality and innovation of multilayer film structures to provide the required film properties critical to pack, preserve and display a wide range of products world over.

Currently we serve following applications: -

- Film for Aluminum Composite Panel.
- Films for Surface Protection.
- FMCG and Pharma Packaging.

Currently, we also export products to developing and developed countries.

Key strengths:

- Designing capabilities that create and sustain market differentiation.
- State-of-the-art and integrated manufacturing capabilities.
- Consistent quality focus to deliver safe, convenient and secure consumer packaging.
- An engaged and experienced team.

Global economic overview:

According to the World Economic Outlook by the International Monetary Fund (IMF) published in April, 2023, global growth will bottom out at 2.8 percent this year before rising modestly to 3.0 percent in 2024. Emerging market and developing economies are already powering ahead in many cases, with growth rates jumping from 2.8 percent in 2022 to 4.5 percent this year. The slowdown is concentrated in advanced economies, especially the euro area and the United Kingdom, where growth is expected to fall to 0.7 percent and -0.4 percent, respectively, this year before rebounding to 1.8 and 2.0 percent in 2024.

Global inflation will decrease, although more slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent this year and 4.9 percent in 2024. On the surface, the global economy appears poised for a gradual recovery from the powerful blows of the pandemic and of Russia's unprovoked war on Ukraine. China is rebounding strongly following the reopening of its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets.

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks- most notably, the COVID-19 pandemic and Russia's invasion of Ukraine- manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

Indian economy:

India, a South Asian nation, is the seventh-largest country by area, the second-most populous country with over 1.38 billion people, and the most populous democracy in the world. India boasts of an immensely rich cultural heritage including numerous languages, traditions, and people. The country holds its uniqueness in its diversity, and hence has adapted itself to international changes with poise and comfort. While the economy has welcomed international companies to invest in it with open arms since liberalization in the 1990s, Indians have been prudent and pro-active in adopting global approach and skills. Indian villagers have proudly taken up farming, advanced agriculture and unique handicrafts as their profession on one hand, while modern industries and professional services sectors are coming up in a big way on the other.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive Government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

The Indian economy is expected to be amongst the fastest growing major economies in 2023-24, backed by strong domestic drivers and strengthening macroeconomic fundamentals. The Indian financial sector remains stable. Headline inflation is expected to moderate from its prevailing elevated levels and move below the upper tolerance band during 2023-24. Monetary policy remains focused on progressively aligning inflation with the target. Geopolitical hostilities, stubborn global inflation, volatile global financial markets and climate shocks are the key risks to the growth and the inflation outlook.

Industry overview:

Global flexible packaging market

The flexible packaging market is expected to reach US\$ 162.4 Billion by 2027, exhibiting a CAGR of 4.5% during 2022-2027. Flexible packaging is one of the rapidly growing segments of the packaging industry, combining the highest qualities of film, paper, and aluminum foil to provide a

wide range of protective characteristics. These flexible packages can acquire the shape of a pouch, liner, bag or overwrap and it can resonate with any type of packaging.

The global packaging industry is bifurcated on the basis of primary material types which are paper, plastic (rigid and flexible), metal and glass packaging. The global packaging industry has witnessed rapid growth with the industrialization and the boom in consumerism in the global economy and has undertaken large scale production growth and research efforts during the last three decades.

Indian Plastic Packaging Industry

Plastic packaging plays a key role in ensuring consumer products cost effectively transition through the value chain towards the end consumers with an enhanced product safety and appeal. We foresee strong drivers that are realigning the packaging industry demand towards plastic packaging solutions which revolve around the light weighting of products, cost efficiency, product safety and usage convenience.

The India Plastic Packaging market was expected to register a CAGR of 2.5% during the forecast period (2021-2026). The demand for nutritional drinks and healthy food increased exponentially. The majority of these products are packaged with single-use plastic. The orders were so huge on a global level that the manufacturers and packaging companies in the field even expanded their facilities, which was also supported by most of the governments. Owing to the increasing population, rising income levels, changing lifestyles, and growing economy, the demand for e-commerce packaging is increasing in India. According to the India Brand Equity Foundation data, the Indian e-commerce sector is predicted to expand to USD 200 billion by 2026.

Industrial Application of Plastics

Demand of plastic for industrial applications especially for aluminum composite panel and surface Protection Film, will largely depend upon the revival of infrastructure projects as well as reality sector, where the consumption is large. The Government has declared various fiscal and non-fiscal packages for revival of these sectors.

Sustainable and new flexible plastic packaging solutions

The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing rapidly. The growth in the flexible packaging industry in India is mainly driven by the food and the pharmaceutical packaging sectors. The large and growing Indian middle class, along with the growth in organized retailing in the country are fueling growth in the flexible packaging industry. Another factor, which has provided substantial stimulus to the packaging industry is the rapid growth of exports, which requires superior packaging standards for the international market. The Indian packaging industry is dominated by plastic flexible packaging. The traditional rigid packaging users have also been seen to shift to flexible packaging in recent times. The main reason for this is that flexible packages are found aesthetically attractive, cost-effective and sturdy. Consumer preference for the use of convenient packaging and packaged products in affordable quantities in laminates is also one of the main reasons that have contributed to the growth of flexible packaging in India.

Dynamic industry changes, such as the introduction of new regulatory initiatives, have encouraged manufacturers to develop new packaging options. Growing concerns regarding the use of bio-degradable plastics for flexible packaging and its impact on the environment have also driven

manufacturers to develop sustainable packaging options that are safe and secure. In order to reduce the cost pressure and maintain the integrity of product packages, manufacturers are considering sustainable packaging solutions that require fewer materials and energy to manufacture a package, reduce transportation expenses, and offer extended shelf-life to the product.

Due to stringent government regulations, changing consumer preferences, and environmental pressures, manufacturers are steering their strategies toward circularity and leveraged new plastic technologies to develop recyclable and sustainable solutions that include specific properties such as oxygen, moisture, light, puncture, and chemical resistance, and easy-tear propagation. While, key focus areas for manufacturers include the development of alternative bioplastics solutions such as polybutylene succinate and biopolypropylene, along with the price and disposal of bioplastics, which will need to be examined to ensure successful usage.

Opportunity:

- **Significant increase in the food products**

By application, the food segment is projected to be the largest segment in the flexible plastic packaging market. More people are ordering daily staples, FMCG, and fresh food through e-commerce and online channels, which leads to an increase in the demand for flexible plastic packaging solutions. This in turn, boost the demand for flexible plastic packaging market for food application.

- **E-Commerce**

As consumers increasingly prefer e-commerce is given its efficiencies and the ease of comparison shopping, it has created many opportunities for flexible packaging. Flexible packaging is a lightweight alternative that can be used to eradicate handling and shipping costs, making it a perfect solution for e-commerce companies. Besides, high-barrier flexible packaging solutions add an extra layer of safety and use of multi-layered films can provide enhanced protection against air, moisture and sunlight.

- **Importance of Surface Protection Films**

The Company is a well-known manufacturer of surface protection films and over the years importance of Surface Protection Films is increasing because it can withstand the stress of manufacturing processes like cutting, bending, deep drawing as well as the effect of mechanical handling during manufacturing and transportation.

- **Glue-less Films**

The Company has introduced Glue-less Films in the market in which adhesives are not used. However, it will take some time to educate the Customers regarding its benefits and stabilize its customer base.

Threat:

- **Recycling and environmental concerns associated with flexible plastic packaging**

Recycling of plastic packaging waste is a process that requires state-of-the-art infrastructural facilities. It is a time-consuming process that needs personnel expertise. However, some parts of the world lack these facilities for recycling. Even in developed countries such as the US, the problem of sub-standard infrastructure for recycling persists. Every year, in the US itself, recyclable containers worth more than USD 11 billion are thrown away due to a lack of recycling facilities. According to the UN Environment Programme, the world produces around 330 million

tons of plastic waste each year. To date, only 9% of the plastic waste ever generated has been recycled, and only 14% is collected for recycling now.

As most recycling facilities are outdated, they are incapable of handling changes in waste streams. For instance, even though the amount of paper waste has declined, and plastic waste has increased, the existing machinery is ill-equipped to handle such changes in the trends of packaging waste.

According to the World Economic Forum, every year, at least 8 million tons of plastic leaks into the ocean, which is equivalent to dumping the contents of one garbage truck into the ocean every minute. This is expected to increase to two per minute by 2030 and four per minute by 2050, which can destroy the ecosystem. About 90% of all the trash in the oceans is from plastic. Estimates suggest that flexible plastic packaging represents the major share. Hence, recycling becomes a major challenge in the flexible plastic packaging industry, which provides re-use value, and results in lower wastage.

- **Rising input costs**

Resins, films and adhesives are some of the common raw materials used by the packaging companies. In recent times, the packaging industry was hit by increasing prices of such raw materials and the industry remains exposed to volatility in crude oil prices.

- **Domestic Competition**

Many domestic players have entered in the market of manufacturing Surface Protection Films which has reduced the selling price and has also put pressure on the profit margins.

In view of this, increased focus is now on for increasing export sales of surface protection films, it will help in increasing sales and maintain/ increase margins.

Operational Performance Review

During the year under review, though the sales value increased marginally to 9,60,138 (Rs. in 000') from 9,41,143 (Rs. in 000') in the previous year, the company earned a net profit of 44,454 (Rs. in 000') as compared to a net loss of 17,616 (Rs. in 000') in the previous year.

The Company overcame numerous challenges it faced in last year on account of covid and the fire incidents and took a lot of strategic steps to improve sales of specialty (high contributory products) and move away from low contributory products.

Necessary steps were taken in order to improve internal efficiencies. Strategic efforts were also made to streamline the supply chain and make it more robust, change the product mix, and target new applications, customers, and markets. All these steps resulted in improved performance and a healthier bottom line in comparison to the previous year.

It was also decided to exit the commodity business for time being and focus on specialty products in the coming year. This decision along with the strategic steps taken in FY 2022-23 will help to make the company to improve its performance in the coming FY 2023-24.

The old office premises at Mumbai was sold and a one-time gain of 21,449 (Rs. in'000) Also added to the bottom line.

Safety measures against Covid continued as a precautionary step.

The Synergy Films Private Limited, wholly owned subsidiary of the Company has shut down its operations w.e.f. 7th December 2019 for being economically unviable.

Key Financial Ratios

Particulars	31.03.2022	31.03.2023	% Change	Explanation
Debtors Turnover Ratio	4.68	6.00	28	Increase sales and Debtor's level
Inventory Turnover Ratio	5.98	5.67	-5	NA
Interest Coverage Ratio	1.07	10.67	897	Refer point No. (a) stated below.
Current Ratio	1.57	2.98	89	Fluctuation in cash flow.
Long Term Debt Equity Ratio	0.09	0.03	-67	Repayment of loans and lower utilization of cash credit.
Operating Profit Margin Ratio	-0.04	0.02	160	Refer point No. (b) stated below
Net Profit Margin Ratio	-0.02	0.05	347	Refer point No. (b) stated below
Return on Net worth	-0.06	0.14	342	Refer point No. (c) stated below

- Interest coverage ratio has improved due to increase in PBDIT and lower utilization of credit facilities during the year.
- Operating profit margin ratio and net profit margin ratio has been improved during the year because of improvement in business operations. The company has earned profit during the year under review against the previous year losses, due to favourable market conditions and focus on higher margin products.
- Improvement in operating profit which is resulting gain in return on net-worth.

Segment information:

The Company's sole business segment is Plastic Films and all activities are incidental to this sole business segment. The Company services its domestic and export markets from India only.

Risks and Concern:

The Company's risk management is an integral part of how to plan and execute its business strategies. The Company's business activities are exposed to a variety of risks, namely liquidity risk, market risks, commodity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

i. Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit-worthiness of customers to which the Company grants credit terms in the normal course of business.

ii. Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

iii. Market risk:

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company operates internationally and portion of the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operation are adversely affected as the rupee appreciates/ depreciates against these currencies.

iv. Commodity Risk:

Principal Raw Material for Company's products is variety of plastic polymers which are Derivatives of Crude Oil. Company sources its raw material requirement primarily from US Middle East and Europe. Domestic market prices are also generally remains in sync with international market price scenario. Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. The Company effectively manages with availability of material as well as price volatility through:

1. Widening its sourcing base.
2. Appropriate contracts and commitments.
3. Well planned procurement and inventory strategy.

Internal Financial Control Systems:

The Company's internal financial control systems are commensurate with the nature of its business and the size and complexities of its operations. These systems are designed to ensure that all assets of the Company are safeguarded and protected against any loss and that all transactions are properly authorized, recorded and reported.

Human Resources

It is your Company's belief that people are at the heart of corporate purpose and constitute the primary source of sustainable competitive advantage. Your Company's belief in trust, transparency and team work improved employee productivity at all levels. The Company has 130 employees on its payroll.

Cautionary Statement:

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

For and on behalf of the Board of Directors

Date: 25th May, 2023
Place: Valsad

Jaymin B. Desai
Managing Director
DIN: 00156221

Atul Baijal
Whole-time Director
DIN: 09046341

Your Director's present the Company's Corporate Governance report as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended 31st March, 2023.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive world. Transparency and accountability are the two basic tenets of Corporate Governance. It involves a set of relationships between a 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.

It is your Company's unending mission to regularly nurture and develop steadfast professionalism, astute accountability and increased disclosures by taking all steps necessary towards superior growth in its value for its stakeholders.

The Board of Directors ('The Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short term and long-term interests of shareholders and other stakeholders. These beliefs reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

2. BOARD OF DIRECTORS:

The Composition of the Board as on 31st March, 2023 is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013. The Board of Directors is chaired by an Independent Director and has an optimum combination of executive and non-executive/ Independent Directors with one women Director.

None of the Independent Directors have any material pecuniary relationships or transactions with the Company.

DIRECTORS' ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS:

As mandated by Listing Regulations none of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/ she is Director. Relevant details of the Board as on 31st March, 2023 are given as follows:

During the financial year 2022-23, 5 (Five) Board meetings were held on (1) 27th May, 2022 (2) 10th August, 2022 (3) 10th November, 2022 (4) 13th February, 2023 (5) 21st March, 2023 and details are given below and the maximum gap between two meetings did not exceed one hundred and twenty days:

Ecoplast Ltd

Name, Designation & DIN of Directors	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies (+)	Attendance at last AGM	No. of Committee positions held in other Companies.	
					Chairman of Committee	Member of Committee
Mr. Mukul B. Desai Chairman (DIN: 00015126)	NED(I)	5	2	Yes	Nil	Nil
Mr. Jaymin B. Desai Managing Director (DIN: 00156221)	MD(P)	5	3	Yes	Nil	Nil
Mr. Dhananjay T. Desai (DIN: 00049574)	NED(I)	4	7	Yes	Nil	Nil
Mr. Bhupendra M. Desai (DIN: 02545003)	NED(I)	5	0	Yes	Nil	Nil
Mrs. Charulata N. Patel (DIN: 00233935)	NED(P)	4	2	Yes	Nil	Nil
Mr. Atul Baijal (DIN: 09046341)	WTD	5	1	Yes	Nil	Nil

NED (I)- Non-Executive Director (Independent)/ MD(P)- Managing Director (Promoter) / NED(P)- Non-Executive Director (Promoter)/ WTD- Whole-time Director

+ Includes Directorship in Private Limited Companies, Companies under Section 8, Foreign Companies and Alternate Directorship.

As on 31st March 2023, none of the Directors are related inter-se.

As on 31st March 2023, none of the Directors holds any Directorship in any other Listed Company.

Details of Shares held By Non-Executive Directors as on 31st March 2023

Name	No. of Shares
Mr. Mukul B. Desai	9,650
Mr. Dhananjay T. Desai	-
Mr. Bhupendra M. Desai	100
Mrs. Charulata N. Patel	420752

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board members and Senior Managerial personnel of the Company. The Code of Conduct is available on the website of the Company at www.ecoplastindia.com/investors/

All the Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Managing Director has been obtained. The said certificate is attached to this Report.

INDUCTION AND FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

The Company organizes an induction programme for new Directors and an ongoing familiarization programme for Independent Directors with respect to the business/ working of the Company. On appointment of a director, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, roles, rights and responsibilities. The Director is also explained the compliances required to be done by him/ her under various Acts, shown a presentation on organizational set up of the Company, functioning of various divisions/ departments, company's market share, governance and internal control processes.

As an ongoing process, the Board of Directors are updated on a quarterly basis on overall economic trends, business performance and the initiatives taken/ proposed to be taken to bring about an overall improvement in the performance of the Company. Further, training programmes are held and presentations are given to the Directors, updating them with statutory changes and compliances applicable to the Company.

The details of the familiarization program can be accessed from the website www.ecoplastindia.com/investors/

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

None of the Independent Director of the company resigned during the financial year.

The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

- a) Knowledge- understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,
- b) Behavioral Skills- attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders,
- c) Strategic thinking and decision making,
- d) Financial Skills,
- e) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding skills/expertise/competencies.

Name	Knowledge	Behavioral Skills	Strategic thinking and decision making	Financial Skills	Technical/ Professional skills
Mr. Mukul B. Desai, Chairman & Independent Director	✓	✓		✓	✓
Mr. Bhupendra M .Desai, Independent Director	✓	✓	✓	✓	
Mrs. Charulata N. Patel, Non-Executive Director	✓	✓			
Mr. Dhananjay T. Desai, Independent Director	✓	✓	✓	✓	✓
Mr. Jaymin B. Desai, Managing Director	✓	✓	✓		✓
Mr. Atul Baijal Whole-time Director	✓		✓		✓

3. COMMITTEES OF THE BOARD:

The committees constituted by the Board play an important role on the governance structure of the Company. The committees are in line with the Listing Regulations and Companies Act, 2013. The minutes of the Committee meetings are tabled at the Board Meetings.

The Minutes of Board Meeting and other committees are captured in accordance with the provisions of the Companies Act, 2013.

COMPOSITION OF COMMITTEES OF DIRECTORS AND THEIR ATTENDANCE AT THE MEETINGS:

Company has the following Board Level Committees:

- A) Audit Committee
- B) Remuneration and Nomination Committee
- C) Stakeholder Relationship Committee

Various Committees of Directors have been appointed by the Board for taking informed decisions in the best interest of the Company. These Committees monitor the activities falling within their respective terms of reference. The Board's Committees are as follows:

A. AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes the financial reporting process, audit process, related party transactions and other applicable laws. The composition of the Audit Committee is in

line with the provisions of section 177 of Companies Act, 2013 and Listing Regulations. Further the Committee invites the Managing Director, Whole-time Directors, Chief Executive Officer, Chief Financial Officer, Statutory and Internal Auditor to attend the Audit Committee Meetings. Minutes of the Audit Committee are placed in the next meeting of the Board.

The composition of the Audit Committee along with the details of the meetings held and attended during the financial year as on 31st March, 2023, are given below.

Meetings, Members and Attendance

During the financial year 2022-23 the Audit Committee held 5 (Five) meetings on (1) 27th May 2022 (2) 10th August 2022 (3) 10th November 2022 (4) 13th February 2023 (5) 21st March 2023.

The time gap between any two meetings was less than one hundred and twenty days. The details of attendance of Audit Committee meetings are as under:

Name of Member	Category	Status	No. of Meeting	
			Held	Attended
Mr. Mukul B. Desai	NED(I)	Chairman	5	5
Mr. Bhupendra M. Desai	NED(I)	Member	5	5
Mrs. Charulata Patel	NED(P)	Member	5	4

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary to act as Secretary to the Committee.

Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on 24th September, 2022 to answer the shareholders' queries.

The role of Audit Committee, the powers exercised by it pursuant to the terms of reference, and the information reviewed by it are in accordance with the requirements as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Terms of reference:

The terms of reference to this committee, inter alia covers all the matters specified under Regulation 18 of Listing Regulations, as well as in Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. These broadly include (i) review of financial reporting processes, risk management, internal control and governance processes, (ii) develop an Audit plan for committee, (iii) risk management framework concerning critical operations of the Company, (iv) discussion on quarterly, half yearly and Annual financial statements and the auditor's report, (v) interaction with statutory, internal auditors to ascertain their independence and effectiveness of audit process, (vi) recommendation for appointment, remuneration and terms of appointment of auditors (vii) related party transactions. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

B. NOMINATION AND REMUNERATION COMMITTEE:

During the financial year 2022-23 the Nomination and Remuneration Committee held 1 (one) meetings on (1) 27th May 2022.

As on 31st March, 2023 the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

Meetings, Members and Attendance

The details of Committee Members are as under:

Name of Member	Category	Status	No. of Meeting	
			Held	Attended
Mr. Bhupendra M. Desai	NED(I)	Chairman	1	1
Mr. Mukul B. Desai	NED(I)	Member	1	1
Mrs. Charulata Patel	NED(P)	Member	1	1

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary to act as Secretary to the Committee.

Terms of reference:

The terms of reference to this committee, inter alia covers all the matters specified under Regulation 19 of Listing Regulations, as well as in Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. These include:

- Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of 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, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the performance, participation, conduct, effectiveness etc. The performance evaluation of Independent Directors was done by the entire Board of Directors and the Directors subject to evaluation had not participated in the same. The Independent Directors evaluated the performance of Non-Independent Directors, Board as a whole and Chairman.

Policy for Remuneration to Director/ Key Managerial Personnel

The Remuneration Policy for directors and senior management are placed on the website of the Company at www.ecoplastindia.com/investors/

Details of Remuneration paid to the Directors for the FY 2022-23:

I. Remuneration to MD/WTB:

(Rs. in 000')

Sr. No.	Particulars of Remuneration	Managing Director	Whole-time Director
		Jaymin Desai	Atul Baijal
1.	Salary and Perquisites	10,762	5,720
2.	Commission	-	-
3.	Service Contract	3 years	3 years
4.	Notice Period & Severance Fees	Three Months' Notice or three months' salary in lieu of notice	Three Months' notice or three months' salary in lieu of notice
5.	Others	-	-
	Total	10,762	5,720

Your Company has not provided any stock options to its directors.

II. Remuneration to other directors:

(Rs. in 000')

Sr. No.	Particulars of Remuneration	Name of Directors		
		Mukul Desai	Bhupendra Desai	Charulata Patel
	• Fee for attending board committee meetings	190	190	130
	• Commission	142	142	142
	• Others	-	-	-
	Total	332	332	272

C. STAKEHOLDER RELATIONSHIP COMMITTEE:

Meetings, Members and Attendance

During the Financial Year 2022-23 the Committee held 1 (one) meeting on 27th May, 2022.

The details of attendance of Members are as under:

Name of Member	Category	Status	No. of Meeting	
			Held	Attended
Mr. Mukul B. Desai	NED(I)	Chairman	1	1
Mr. Jaymin B. Desai	MD(P)	Member	1	1
Mr. Bhupendra M. Desai	NED(I)	Member	1	1

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary to act as Secretary to the Committee.

Complaints received and redressed by the Company during the financial year 2022-23:

No of Shareholders Complaints Received	No. not solved to the satisfaction of shareholders	No. of Complaints Pending
0	0	0

D. INDEPENDENT DIRECTORS MEETING:

In accordance with provisions of the Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Listing Regulations, a meeting of the Independent Directors of the Company was held on 13th February, 2023 without the attendance of Non-Independent Directors and Members of the Management.

E. GENERAL BODY MEETINGS:

Details of the Annual General Meeting held during the preceding 3 years and Special Resolutions passed there at given below:

Financial Year	Venue	Date & Time	Details of Special Resolution Passed
2021-22	‘Shantivan Resort’ Atul-Valsad Road Vashiyar, Valsad- 396001, Gujarat	24 th September 2022 at 12.00 noon	1. Revision in remuneration payment to Mr. Atul Baijal, Whole-time Director of the Company.
2020-21	Through Audio Visual Means	28 th August 2021 at 11.00 A.M.	1. Re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the Company and payment of remuneration to him. 2. Appointment of Mr. Atul Baijal (DIN: 09046341) as Whole-time Director of the Company and payment of remuneration to him. 3. Change in place of keeping Registers and Records.
2019-20	Through Audio Visual Means	5 th September 2020 at 11.00 AM	1. Re-appointment of Mr. Dhananjay T. Desai (DIN: 00049574) as an Independent Director of the Company.

- The Company has not conducted Postal Ballot during the financial year 2021-22 & 2022-23.

F. MEANS OF COMMUNICATION:

i. WEBSITE: The Company's website www.ecoplastindia.com contains a separate section "Investors" for use of investors. The quarterly, half yearly and Annual Financial Results are promptly and prominently displayed on website. Notices, Annual Report, Quarterly Shareholding Pattern and other Communication are also available on the website.

ii. FINANCIAL RESULTS: The Quarterly, Half yearly and Annual Results are regularly posted by the Company on its website. These are also submitted to the Stock Exchange i.e., BSE Ltd in accordance with Listing Regulations.

The Quarterly, Half Yearly and Annual Results are normally published in Indian Express (English) and Financial Express (Gujarati) within 48 hours of approval.

iii. ANNUAL REPORT: Annual Report containing inter-alia, salient features of the Audited Financial Statements, Director's Report (Including Management Discussion and Analysis), Corporate Governance Report and other important information is circulated to members and others entitled thereof.

iv. CORPORATE FILING: Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with BSE Ltd and are also available on the website of the Company.

v. There were no presentations made to the institutional investor analysts during the year.

G. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting (Day, Date, Time and Venue)	Saturday, 2nd September, 2023 at 12.00 Noon at 'Shantivan Resort', Atul-Valsad Road, Vashiyar, Valsad-396001 Gujarat.
Financial Year	1 st April, 2022 to 31 st March, 2023
Date of Book Closure	Saturday, 26 th August, 2023 to Saturday 2 nd September, 2023 (both days inclusive)
Dividend Payment Date	On or after 15 September, 2023
Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 526703)
International Securities Identification Number	INE423D01010
CIN	L25200GJ1981PLC004375

Note: The Annual Listing Fees for the year 2023-24 has been paid to BSE.

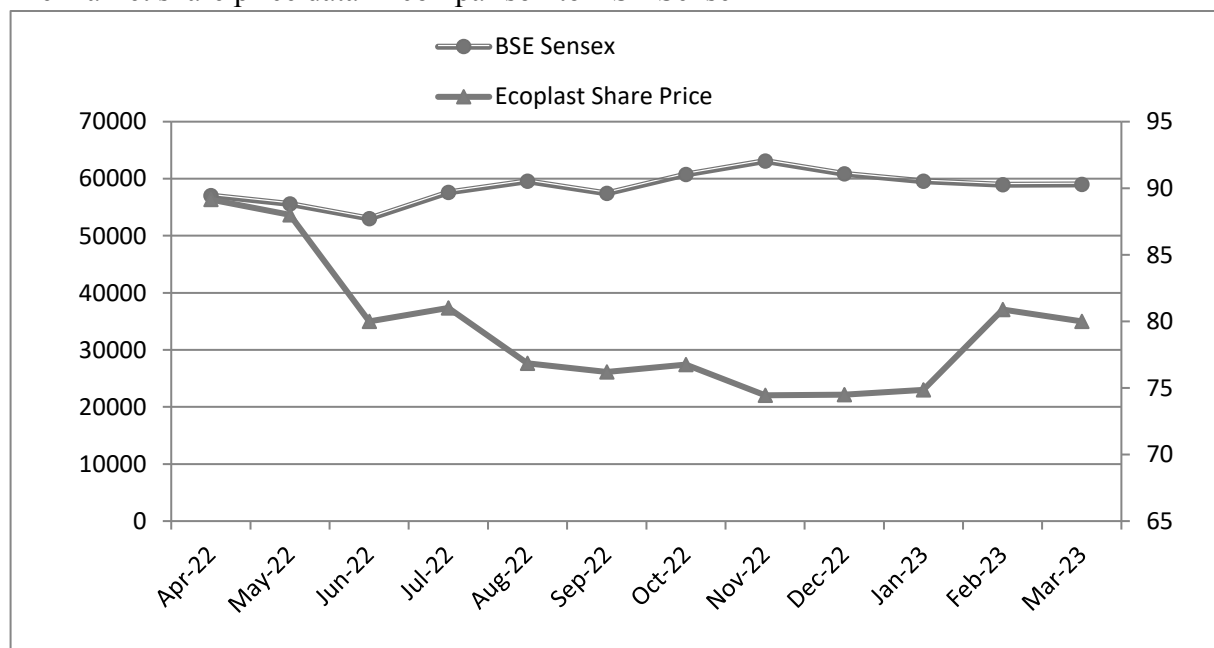
H. STOCK MARKET DATA:

Share Prices (High/ Low) and number of shares traded during the year:

Month	Share Price of the Company on BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
Apr-22	106.20	87.00	60845.10	56009.07
May-22	92.50	73.05	57184.21	52632.48
Jun-22	95.30	75.00	56432.65	50921.22
Jul-22	88.95	69.05	57619.27	52094.25
Aug-22	88.40	72.30	60411.20	57367.47
Sep-22	97.35	71.00	60676.12	56147.23
Oct-22	84.90	71.45	60786.70	56683.40
Nov-22	81.30	70.00	63303.01	60425.47
Dec-22	77.90	66.60	63583.07	59754.10
Jan-23	77.00	70.25	61343.96	58699.20
Feb-23	85.75	65.10	61682.25	58795.97
Mar-23	93.00	72.20	60498.48	57084.91

I. STOCK PERFORMANCE:

The market share price data in comparison to BSE Sensex



J. REGISTRARS AND SHARE TRANSFER AGENT FOR SHARES:

M/s TSR Consultants Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 4000 083, Tel: 022 66568484, email id: csg-unit@tcplindia.co.in is acting as Registrar and Transfer Agents (RTA) for handling the shares related matters both in Physical and Dematerialized mode.

Shareholders are advised to send all the correspondence to the RTA. However, for the convenience of shareholders, documents relating to shares received by the Company are forwarded to the RTA for necessary actions thereon.

K. SHARE TRANSFER SYSTEM:

In terms of Regulation 40(1) of the Listing Regulations as amended, Securities can be transferred only in dematerialized form from w.e.f April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

L. RECONCILIATION OF SHARE CAPITAL AUDIT:

A Company Secretary in Practice carries out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

M. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023:

Range start	Range end	Total shares	Percentage to capital	Total number of shareholders	% of total security holders
1	500	222341	7.41	1874	89.11
501	1000	75234	2.51	95	4.52
1001	2000	93684	3.12	60	2.85
2001	3000	39185	1.31	15	0.71
3001	4000	32568	1.09	9	0.43
4001	5000	26530	0.88	6	0.29
5001	10000	91458	3.05	14	0.66
10001	above	2419000	80.63	30	1.43
	Total	3000000	100.00	2103	100.00

N. CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2023:

Sr No	Particulars	No. of Accounts	Holding	% to capital
1	Companies Promoter /Promoter Group	2	513267	17.11
2	Individual Promoters/ Promoter Group	20	1530067	51.00
3	Foreign Promoter	1	8640	0.29
3	Bodies Corporate including LLP	26	27806	0.93
4	NRI	18	25339	0.84
5	IEPF	1	60797	2.03
6	Clearing Members	2	120	0.00
7	Resident Individuals/ HUF	2033	833964	27.80
	Total	2103	3000000	100.00

O. DEMATERIALISATION OF SHARES:

The Company's Equity Shares are held in dematerialized form by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) under ISIN No. INE423D01010.

Details of shares held in physical form and dematerialized form as on 31st March, 2023:

Mode	No. of Shares	% of Share Capital
Electronic form with CDSL	9,42,503	31.41
Electronic form with NSDL	19,94,907	66.50
Physical	62,590	2.09
Total	30,00,000	100.00

The shareholders holding shares in physical form are requested to dematerialize their shares, as the Company's shares are required to be compulsorily traded at the stock exchanges in dematerialized form only. The shares of the Company are regularly traded at the BSE Limited.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments in the past and hence as on 31st March, 2023, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

P. PLANT LOCATION: National Highway No. 8, Water Works Cross Road, Abrama Valsad, Valsad-396002, Gujarat.

Q. ADDRESS FOR CORRESPONDENCE

Registered office	:	National Highway No. 8, Water Works Cross Road, Abrama- Valsad, Valsad-396002, Gujarat
Tel. No.	:	+91-9879554138
Email	:	investor@ecoplastindia.com

R. Commodity/ Forex Risk: Principal Raw Material for Company's products is variety of plastic polymers which are derivatives of crude oil. Company sources its raw material requirement primarily from US Middle East and Europe. Domestic market prices are also generally remains in sync with international market price scenario. Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages with availability of material as well as price volatility through:

1. Widening its sourcing base.
2. Appropriate contracts and commitments.
3. Well planned procurement and inventory strategy.

S. Unclaimed Suspense Account: The Company does not have any Demat Suspense Account or unclaimed Suspense Account

T. The Company has not obtained any credit rating on Debt Instruments or Fixed Deposit Programme in FY 2022-23 Since it does not have any Debt Instruments or Fixed Deposit Programme. CRISIL Credit Rating was reviewed for long term "CRISIL BBB-/Negative" and short term "CRISIL A3" of Bank loan facilities.

U. Preferential Allotment or Qualified Institutions placement:

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2022-23.

V. DISCLOSURES:

i. Strictures and Penalties:

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities. However, during the previous year the Company has paid fine of (1) Rs. 5,900/- for delay submission of compliance of Regulation 23(9) of SEBI listing regulations for the half year ended 31st March 2021 (2) Rs. 5,42,800/- for Non-compliance of Regulation 17(1) of SEBI listing regulations for the quarter December 2020 and March 2021.

ii. Compliance with Indian Accounting Standards:

In preparation of the Financial Statements, the Company has followed the Indian Accounting Standards applicable to the Company.

iii. CEO and CFO Certification:

The Chief Executive Officer and Chief Financial Officer of the Company have furnished the requisite Certificates to the Board of Directors as per Listing Regulations. The said certificate is attached to this Report

iv. Internal Control System and their adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors who audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management.

v. Related Party Transactions:

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The related party transactions entered into with the related parties as defined under the Companies Act, 2013 and as per Listing Regulations during the financial year were in the ordinary course of business and the same have been approved by the Audit Committee/ Board of Directors.

Transactions with the related parties are disclosed under Note No. 30 to the financial statements in the Annual Report. The Board of Directors has approved a policy of related party transactions which has been uploaded on the website of the Company www.ecoplastindia.com

vi. Risk Management:

The Company recognizes that risk is an integral part of any business activity. The Company is aware of the risks associated with the business and has well defined process in place to ensure appropriate identification and treatment of risk. This will facilitate not only risk assessment and timely rectification but also help in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations. There are no risks which in the opinion of the board threatens the existence of the company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

vii. Vigil Mechanism (Whistle Blower Policy):

The Company has a vigil mechanism called “Whistle Blower Policy” with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

All employees have been provided direct access to the Audit committee. Further, the details of the policy are also posted on the website of the Company at www.ecoplastindia.com

viii. Policy of determining Material Subsidiary:

The Company has adopted the policy for determining Material Subsidiary which has been also posted on the website of the Company at www.ecoplastindia.com

ix. Commodity Price Risks and Commodity hedging activities:

During the year 2022-23 the company closely monitored movement of commodity prices. Further the company has not undertaken any hedging activities on commodity and its open exposer stands NIL for the year. Disclosure on risk forms part of Management Discussion and Analysis Report.

x. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable.

xi. A certificate from Parikh & Associates, Practicing Company Secretaries has been received stating that none of the directors on the Board of the company are debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to this Report.

- xii. Statutory Auditor's fee: The Company and its subsidiary company has paid the fee to the Statutory Auditor for all the services provided by them during the year, as detailed below:

(Rs. in 000')

Particulars	Payment to Company's Statutory Auditors	Payment to Subsidiary Company's Statutory Auditors
Audit Fees	450	20
Tax Audit Fees	80	-
Certification and Other Services	160	-
Reimbursement of expenses	68	-
Total	758	20

- xiii. Disclosure as per 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 workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

Details of Complaints under the act during the financial year 2022-23.

- number of complaints filed during the financial year -**Nil**
- number of complaints disposed of during the financial year -**Nil**
- number of complaints pending as on end of the financial year -**Nil**

The Company has complied with all the mandatory requirements specified in regulation 17 to 27 Regulation 46 of Listing Regulations.

The Corporate Governance Report of the Company for the year ended 31st March, 2023 are in compliance with the requirements of Corporate Governance under Listing Regulations. The requisite certificate of the Company Secretary in Practice confirming compliance of this condition is attached to the report on the Corporate Governance.

- The Board of Directors of the Company have accepted all the recommendations submitted by the Committees which are mandatorily required, during the financial year.
- No loans and advances made to any firm/ company in which directors of the company are interested.
- Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: The company does not have any material subsidiary company.

The status of adoption of the discretionary requirements as specified in Part E of Schedule II is as under: -

- **Non-Executive Chairman's Office:**

The Chairman of the Company is the Non-executive Chairman.

- **Shareholders Rights:**

Extract of the Quarterly, Half Yearly and Annual Financial Results of the Company are published in the Newspaper and are also posted on Company's website www.ecoplastindia.com. The complete Annual Report is sent to each and every Shareholder of the Company.

- **Modified opinion in Auditors Report**

The Company's financial statement for the year ended 31st March, 2023 does not contain any modified Audit opinion.

- **Reporting of Internal Auditor:**

The Internal Auditor of the Company reports to the Audit Committee.

For and on behalf of the Board of Directors

Date: 25th May, 2023

Place: Valsad

Jaymin B. Desai

Managing Director

DIN: 00156221

Atul Baijal

Whole-time Director

DIN: 09046341

COMPLIANCE WITH CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2023.

For Ecoplast Limited

Date: 25th May 2023
Place: Valsad

Jaymin B. Desai
Managing Director
DIN: 00156221

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,
The Members of
ECOPLAST LIMITED

N H Road No 8, Water Works Cross Road,
Abrama Valsad 396001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ecoplast Limited** having CIN **L25200GJ1981PLC004375** and having registered office at N H Road No 8, Water Works Cross Road, Abrama Valsad 396001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Mukul Bharkatkar Desai	00015126	25/08/2007
2.	Dhananjay Thakorbhai Desai	00049574	28/05/2015
3.	Jaymin Balwantra Desai	00156221	23/06/1990
4.	Charulata Nitin Patel	00233935	08/11/2014
5.	Bhupendra Maganlal Desai	02545003	27/01/2009
6.	Atul Jai Kishandas Baijal	09046341	11/02/2021

*the date of appointment is as per the MCA Portal.

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

For Parikh & Associates
Practising Company Secretaries

Mumbai
Date: May 8, 2023

Mitesh Dhabliwala
FCS: 8331 CP: 9511
UDIN: F008331E000272111
PR No.: 1129/2021

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To,
The Board of Directors
Ecoplast Limited

We have reviewed the financial statements and the cash flow statement of Ecoplast Limited for the year ended 31st March, 2023 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We 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 steps taken or proposed to be taken for rectifying these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

JAYMIN B. DESAI
MANAGING DIRECTOR
DIN: 00156221

VAIBHAV KUMAR TOTLA
CHIEF FINANCIAL OFFICER

Place: Valsad
Date: 25th May 2023

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF ECOPLAST LIMITED

We have examined the compliance of the conditions of Corporate Governance by Ecoplast Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, subject to the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

For Parikh & Associates
Practising Company Secretaries

MITESH DHABLIWALA
FCS: 8331 CP: 9511
UDIN: F008331E000271990
PR No.: 1129/2021

Mumbai
Date: May 8, 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOPLAST LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ECOPLAST LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our

audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. Based on such examination, representations given by the management as per the requirements of Rule 11(e)(i) and (ii), nothing has come to our notice that has caused us to believe that the above-mentioned representations contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Y. B. Desai and Associates
Chartered Accountants
Firm Registration No. 102368W

Mayank Y. Desai
Partner

Membership No. :- 108310
UDIN : 23108310BGWRMR2863

Date :- 25th May, 2023
Place :- Surat

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ECOPLAST LIMITED of even date)

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

We have audited the internal financial controls with reference to standalone Financial Statements of ECOPLAST LIMITED (the “Company”) as of March 31, 2023 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 the Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls with reference to standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Financial Statements to future periods are subject to the risk that the internal financial with reference to standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Financial Statements and such internal financial controls with reference to standalone Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone Financial Statements 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 ICAI.

**For Y. B. Desai and Associates
Chartered Accountants
Firm Registration No. 102368W**

**Mayank Y. Desai
Partner**

**Date :- 25th May, 2023
Place :- Surat**

**Membership No. :- 108310
UDIN : 23108310BGWRMR2863**

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under *Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ecoplast Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of Audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has no intangible assets, therefore reporting under 3(i)(a) not applicable
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the property tax receipts for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act,
- ii.
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
 - (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets, and the quarterly returns or statements filed by the company with such bank is in agreement with the books of account of the Company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company has not granted any loans or advances in the nature of loans, hence the reporting of schedule of repayment of principal and payment of interest under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not granted any loans or advances in the nature of loans, hence the reporting of overdue amount remaining outstanding as at the balance sheet date under clause 3(iii)(d) of the Order is not applicable.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been applicable for the company under the Company under sub-section (I) of section 148 of the Companies Act, 2013, hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax. Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, value added tax, service tax, Goods and Service Tax, custom duty, excise duty and Cess which have not been deposited with the appropriate authorities on account of dispute other than those mentioned in Notes of the Financial Statements.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Term loans were applied for the purpose for which the loans were obtained
- d. On an overall examination of the financial statements of the Company has not raised funds on short-term basis, hence reporting under clause 3(ix)(d) of the Order is not applicable.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(X)(b) of the Order is not applicable.
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

- (b) In respect of ongoing projects, the Company has no unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. There is a qualifications remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. The Consolidated Financial Statement include Subsidiary Namely Synergy Films Private Limited and its CARO Paragraph no. is xvii.

Y. B. Desai & Associates
Chartered Accountants
CA Firm Registration No. 102368W

Date : 25th May, 2023
Place: Surat

Partner
Name : CA Mayank Y. Desai
M. No. : 108310
UDIN -23108310BGWRMR2863

	Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022 *	As at 01st April, 2021 *
(1)	ASSETS				
	Non-current assets				
	(a) Property, Plant and Equipment	2.1	1,46,269	1,54,480	1,59,398
	(b) Capital work-in-progress	2.2	773	162	6,489
	(c) Right of use Asset	2.3	1,740	3,421	6,231
	(d) Financial Assets				
	(i) Investment in Subsidiary	3.1	7,319	7,270	7,538
	(ii) Loans	3.2	475	838	224
	(iii) Others	3.3	1,500	1,594	1,568
	(e) Income Tax Assets (Net)	4	8,568	8,790	8,905
	(f) Other Non-current Assets	5	2,298	9,854	1,256
	(g) Deferred tax Assets (Net)	14	-	7,158	-
	Total Non-current assets		1,68,942	1,93,567	1,91,609
	Current assets				
	(a) Inventories	6	1,04,450	1,29,264	1,02,211
	(b) Financial Assets				
	(i) Trade Receivables	7.1	1,19,609	2,00,624	2,01,719
	(ii) Cash and cash equivalents	7.2	23,568	4,307	751
	(iii) Bank balances other than (ii) above	7.3	2,691	5,651	3,612
	(iv) Loans	7.4	685	754	697
	(v) Other financial assets	7.5	2,514	1,541	1,154
	(c) Other current assets	8	15,427	12,704	12,100
	(d) Assets Classified as held for sale	9	1,678	-	-
	Total current assets		2,70,622	3,54,845	3,22,243
	TOTAL ASSETS		4,39,564	5,48,412	5,13,852
(1)	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	10	30,000	30,000	30,000
	(b) Other Equity	11	3,03,052	2,56,963	2,77,303
	Total equity		3,33,052	2,86,963	3,07,303
	Liabilities				
	(1) Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	12.1	3,045	26,398	46,127
	(ii) Lease Liability	12.2	676	1,017	2,517
	(b) Provisions	13	9,677	8,503	7,149
	(c) Deferred tax liabilities (Net)	14	2,226	-	124
	Total non current liabilities		15,624	35,918	55,917
	(2) Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	15.1	7,484	1,09,407	34,369
	(ii) Lease Liability	15.4	1,135	2,527	3,891
	(iii) Trade payables				
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	15.2	11,910	13,149	1,637
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	15.2	51,674	62,005	83,297
	(iv) Other financial liabilities	15.3	2,228	3,008	2,461
	(b) Other current liabilities	16	13,144	14,926	7,375
	(c) Provisions	17	3,313	20,509	17,602
	Total current liabilities		90,888	2,25,531	1,50,632
	TOTAL EQUITY AND LIABILITIES		4,39,564	5,48,412	5,13,852

The accompanying notes from 1 to 41 are an integral part of the financial statements

* Restated, Please refer note no.40.

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMR2863

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited Statement of Profit and Loss for the year ended 31st March, 2023

CIN : L25200GJ1981PLC004375

(Rs.in '000)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022 *
I	Revenue from Operations	18	9,60,138	9,41,143
II	Other Income	19	38,998	8,468
III	TOTAL INCOME (I+II)		9,99,136	9,49,611
IV	Expenses			
	Cost of materials consumed	20	6,60,514	7,02,834
	Purchase of Stock in-trade		12,797	8,864
	Changes in inventories of finished goods, stock in trade and work-in-progress	21	2,638	(11,242)
	Employee benefits expense	22	92,732	95,267
	Finance costs	23	8,950	10,614
	Depreciation and amortization expense	2	24,530	26,593
	Other expenses	24	1,34,997	1,42,505
	TOTAL EXPENSES (IV)		9,37,158	9,75,435
V	Profit/(loss) before tax (III-IV)		61,978	(25,824)
VI	Tax expense:			
	(1)Current tax		8,472	374
	(2)Deferred tax		9,741	(7,875)
	(3)Tax in respect of Earlier Years		(689)	(707)
			17,524	(8,208)
VII	Profit / (Loss) for the year (V-VI)		44,454	(17,616)
VIII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		1,280	(2,131)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		355	(593)
IX	Total comprehensive income for the year (VII+VIII)		46,089	(20,340)
X	Earnings per equity share:	25		
	Basic and Diluted		14.82	(5.87)

The accompanying notes from 1 to 41 are an integral part of the financial statements

* Restated, Please refer note no.40.

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMR2863

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited
Cash Flow Statement for the year ended 31st March, 2023
CIN - L25200GJ1981PLC004375

Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022	
	(Rs.in '000)		(Rs.in '000)	
A. Cash flow from operating activities				
Net Profit / (Loss) before Tax as per Statement of Profit and Loss		61,978		(25,824)
Adjustments for:				
Depreciation and amortization and impairment	24,530		26,593	
(Profit) / loss on sale / write off of assets (net)	(21,884)		3,153	
Finance costs	8,950		10,614	
Interest income	(373)		(489)	
Other Comprehensive Income	1,280		(2,131)	
Provision for doubtful trade and other receivables, loans and advances	47		12,875	
		12,550		50,615
Operating profit before working capital changes		74,528		24,791
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	24,814		(27,053)	
Trade receivables	80,968		(11,780)	
Short-term loans and advances	69		(58)	
Non Current Financial Assets	408		(372)	
Other Current financial assets	(974)		(387)	
Other Non current assets	8,465		(7,775)	
Other Current assets	(2,722)		(605)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	(11,571)		(9,780)	
Other Current liabilities	(1,781)		7,551	
Other Financial and lease liability	(2,513)		(2,317)	
Short-term provisions	(17,196)		2,907	
Long-term provisions	1,173		1,355	
		79,140		(48,314)
		1,53,668		(23,523)
Cash generated from operations				
Net income tax (paid) / refunds		1,53,668		(23,523)
		(8,472)		(374)
Net cash flow from / (used in) operating activities (A)		1,45,196		(23,897)
B. Cash flow from investing activities				
Payment for property, plant and equipment , including capital advances	(22,903)		(16,202)	
Proceeds from sale of fixed assets	27,861		509	
- Others	373		489	
		5,331		(15,204)
		5,331		(15,204)
Net cash flow from / (used in) investing activities (B)		5,331		(15,204)
C. Cash flow from financing activities				
Proceeds / (Repayment) of long-term borrowings	(23,353)		(19,729)	
Net increase / (decrease) in Short term borrowings	(1,01,923)		75,039	
Finance cost	(8,950)		(10,614)	
		(1,34,226)		44,696
Net cash flow from / (used in) financing activities (C)		(1,34,226)		44,696
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		16,301		5,595
Cash and cash equivalents at the beginning of the year				
Balances with banks in current accounts, earmarked balances and deposit accounts		9,641		4,075
Cash on hand		317		288
Cash and cash equivalents at the end of the year		26,259		9,958
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		186		317
(b) Balances with banks in current accounts and deposit accounts		23,382		3,990
(c) Balances with banks in earmarked balances and deposit accounts		2,691		5,651
CASH AND CASH EQUIVALENTS.		26,259		9,958

Ecoplast Limited
Cash Flow Statement for the year ended 31st March, 2023
CIN - L25200GJ1981PLC004375

Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS - 7) on statement of Cash Flow.
- 2 The previous year's figures have been regrouped/ restated wherever necessary to confirm to this year's classification.
- 3 Earmarked account balances with banks can be utilized only for the specific identified purposes.
- 4 The Ammendments to Ind AS 7 Statement of Cash Flow requires the entities to provide disclosures that enables users of financial statements to evalute changes in liabilities arising from financial activities, including both changes arising from cash flow and Non cash Changes, suggesting inclusion of a reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities. The Required discloser is made below :

(Rs.in '000)

	As at	Cash Flows		Non - Cash Changes		As at
Particulars	31st March, 2022	Proceeds	Repayments	Fair Value Changes	Current / Non Current Classification	31st March, 2023
Long Term Borrowings (Current and Non Current)	44,153		33,624	-	-	10,529
Short Term Borrowings	91,652	-	91,652	-	-	-

The accompanying notes from 1 to 41 are an integral part of the financial statements

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMR2863

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited

Statement of changes in equity for the year ended 31st March, 2023

a. Equity Share Capital:

(Rs.in '000)

Particulars	Amount
Balance as at the 31 March 2022	30,000
Changes in equity share capital during the year	-
Balance as at the 31 March 2023	30,000

b. Other Equity:

(Rs.in '000)

Particulars	Reserves and Surplus			Other Comprehensive Income (OCI)	Total Equity
	General Reserve	Securities Premium	Retained Earnings		
As at 31st March, 2021	50,781	30,000	2,12,623	(6,025)	2,87,379
Effect of change due to restatement			(10,076)		(10,076)
As at 01st April, 2021	50,781	30,000	2,02,547	(6,025)	2,77,303
Profit / (Loss) for the year	-	-	(17,616)		(17,616)
Corporate Dividend			-		-
Other comprehensive income for the year	-	-			
Remeasurement of the Net Defined benefit liability/Asset, net of tax effect	-	-		(2,724)	(2,724)
As at 31st March, 2022	50,781	30,000	1,84,931	(8,749)	2,56,963
Profit / (Loss) for the year			44,453		44,453
Corporate Dividend			-		-
Other comprehensive income for the year					
Remeasurement of the Net Defined benefit Liability/asset, net of tax effect	-	-	-	1,636	1,636
As at 31st March, 2023	50,781	30,000	2,29,384	(7,113)	3,03,052

The accompanying notes from 1 to 41 are an integral part of the financial statements

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMR2863

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

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Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Corporate Information

Ecoplast Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L25200GJ1981PLC004375. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing, processing and selling of Co-extruded Plastic Film for packaging and industrial applications. The principal place of business of the company is at Abrama-Valsad. The Company caters to both domestic and international markets. It has various certifications like ISO 9001, ISO 14001 and ISO 22000 registration thereby complying with globally accepted quality standards.

1. Statement of Significant Accounting Policies

Basis of Preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company's presentation and functional currency is Indian Rupees (Rs.). All figures appearing the financial statements are rounded off to the Rupees in thousands, except where otherwise indicated.

1.1. Use of Judgment and Estimates:

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2. Property, Plant and Equipment

- 1.2.1. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2. The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.4. Expenditure on assets not exceeding threshold limit are charged to revenue.
- 1.2.5. Spare parts which meet the definition of Property, Plant and Equipment are capitalised as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.6. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognised.
- 1.2.7. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated 100% in the year of acquisition.
- 1.3.2. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.3. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.4. Depreciation is charged on additions/ deletions on pro-rata monthly basis including the month of addition/ deletion.

1.4. Intangible Assets

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5. Investment Property

- 1.5.1. Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.
- 1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6. Borrowing Costs

- 1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7. Non current asset held for sale

- 1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
- 1.7.3. Property, Plant and Equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.8. Leases

1.8.1. Finance Leases

A lease agreement that transfers substantially all the risks and rewards irrespective of whether title is transferred is classified as a finance lease.

1.8.2. Operating Leases

Lease Agreements which are not classified as finance leases are considered as Operating Leases.

1.8.3. Determining whether an arrangement contains a lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

1.9. Impairment of Non-financial Assets

- 1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.10. Inventories

- 1.10.1. The cost for the purpose of valuation of Finished and Semi - Finished goods is arrived at on FIFO basis and also Cost of conversion which includes an appropriate share of production overheads based on normal operating capacity and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

The mode of valuing closing stock is as under:

- Raw Materials, Packing Materials, Machinery Spares, Ink and Fuel - at Actual Cost
- Finished and Semi - Finished goods – at lower of cost or net realizable value
- Scrap - net realizable value

- 1.10.2. Customs duty/GST on Raw materials/ finished goods lying in bonded warehouse is provided for at the applicable rates except where liability to pay duty is transferred to consignee.
- 1.10.3. Raw materials held for use in production of Finished Goods are written down below Cost, only if, the estimated Cost or Net Realizable Value of Finished Goods will not exceed Net Realizable Value of such Raw Materials.
- 1.10.4. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.11. Revenue Recognition

- 1.11.1. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

- 1.11.2. Claims are recognized on settlement. Export incentives are accounted where there is reasonable assurance that the incentive income will be received and all attached conditions will be complied
- 1.11.3. Interest income is recognized using Effective Interest Rate (EIR) method.
- 1.11.4. Dividend is recognized when right to receive the income is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.12. Classification of Income/ Expenses

- 1.12.1. Income/ expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.
- 1.12.2. Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

1.13. Employee benefits

1.13.1. Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.13.2. Defined Contribution Plans

→ Superannuation :

The Company has Defined Contribution Plan for Post employment benefits in the form of Superannuation Fund for certain class of employees as per the scheme, administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees and is charged to revenue every year. Company has no further obligation beyond its contributions.

→ Employee's Family Pension :

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

→ Provident Fund:

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.13.3. Defined Benefit Plans

→ Gratuity :

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

→ Compensated Absences :

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying salary on the date of availment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.13.4. Termination Benefits:

Termination benefits are recognised as an expense as and when incurred.

1.13.5. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.13.6. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.13.7. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.13.8. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.14. Foreign Currency Transactions

1.14.1. Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

1.14.2. Non – Monetary items:

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.

1.15. Investment in Subsidiaries

Investments in subsidiary company carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

1.16. Government Grants

- 1.16.1. Government grants are recognized at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- 1.16.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- 1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17. Provisions, Contingent Liabilities and Capital Commitments

- 1.17.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 1.17.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- 1.17.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- 1.17.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 1.17.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18. Fair Value measurement

- 1.18.1. The Company measures certain financial instruments at fair value at each reporting date.
- 1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.
- 1.18.3. 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.
- 1.18.5. While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
 - Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 1.18.6. When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Ecoplast Limited

1.18.7. If there is no quoted price in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.18.8. The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19. Financial Assets

1.19.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

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

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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 and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

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

1.19.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) 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:
 - The Company has transferred substantially all the risks and rewards of the asset, or
 - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.4. Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20. Financial Liabilities

1.20.1. Initial recognition and measurement

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL 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 and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.21. Financial guarantees

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

1.22. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.23. 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, or to realise the assets and settle the liabilities simultaneously.

1.24. Taxes on Income

1.24.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.24.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.25. Earnings per share

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

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

1.26. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.27. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.28. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

2.1 Property, Plant and Equipment & Intangible Assets

(Rs.in '000)									
Particulars	Freehold land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total		
Gross Carrying value as on March 31 , 2021	5,096	44,636	1,94,009	2,340	6,688	7,953	2,60,722		
Additions	-	890	20,688	157	-	1,231	22,967		
Deletions	-	-	6,602	83	-	312	6,996		
Gross Carrying value as on March 31 , 2022	5,096	45,526	2,08,095	2,415	6,688	8,873	2,76,692		
Additions	-	3,718	17,467	153	79	97	21,513		
Deletions	-	4,145	3,801	-	2,535	109	10,590		
Gross Carrying value as on March 31 , 2023	5,096	45,099	2,21,761	2,568	4,231	8,860	2,87,615		
Accumulated depreciation as on March 31, 2021	-	8,500	85,729	879	1,492	4,724	1,01,324		
Depreciation charge for the year	-	2,040	20,053	245	594	1,290	24,222		
Depreciation on deletion	-	-	3,027	34	-	274	3,335		
Accumulated depreciation as on March 31, 2022	-	10,539	1,02,756	1,090	2,086	5,740	1,22,212		
Depreciation charge for the year	-	1,987	18,205	243	597	1,037	22,069		
Depreciation on deletion	-	594	-	-	2,315	26	2,935		
Accumulated depreciation as on March 31, 2023	-	11,932	1,20,961	1,333	369	6,751	1,41,346		
Carrying value									
Net Carrying value									
At 31st March,2021	5,096	36,136	1,08,279	1,462	5,196	3,229	1,59,398		
At 31st March,2022	5,096	34,987	1,05,339	1,325	4,601	3,133	1,54,480		
At 31st March,2023	5,096	33,167	1,00,800	1,235	3,863	2,109	1,46,269		

- (i) Gross Carrying value include Rs.24.46 Lacs on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.
- (ii) Assets were mortgaged / hypothecated as security for borrowing from bank.
- (iii) Impairment loss has been recognized in statement of profit and loss under Impairment on PPE.
- (iv) The Company has classified some non-current asset comprising of Net block value of plant and machinery as held for sale. The Company has measured these assets at Carrying amount only. (Value of Asset Held for Sale shown separately in Note.No.9)

2.2 Capital work-in-progress

(Rs.in '000)		
	As at 31st March, 2023	As at 31st March, 2022
Carrying amount		
Capital work-in-progress	773	162

Ageing of Capital work-in-progress

(Rs.in '000)					
As at 31st March, 2023					
Projects in progress	< 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
	773	-	-	-	773
As at 31st March, 2022					
Projects in progress	< 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
	162	-	-	-	162

There are no overdue projects as at 31st March, 2023 and as at 31st March, 2022.

2.3 Leased Assets

(Rs.in '000)

Particulars	Buildings	
Gross Carrying value as on March 31, 2021	7,945	(a) The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.
Additions	-	
Deletions	439	
Gross Carrying value as on March 31, 2022	7,507	In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of 9.6% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
Additions	808	
Deletions	556	
Gross Carrying value as on March 31, 2023	7,759	(b) The Company's leases of building for office premises.
Accumulated depreciation as on March 31, 2021	1,715	
Depreciation charge for the year	2,371	
Depreciation on deletion	-	
Accumulated depreciation as on March 31, 2022	4,085	
Depreciation charge for the year	2,461	
Depreciation on deletion	527	
Accumulated depreciation as on March 31, 2023	6,019	
Net Carrying value		
At 31st March, 2021	6,231	
At 31st March, 2022	3,421	
At 31st March, 2023	1,740	

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2023

3 FINANCIAL ASSETS : NON CURRENT

3.1 INVESTMENTS IN SUBSIDIARY

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Equity Shares of a Subsidiary Company		
Total Value of Investments	11,954	11,954
Less: Impairment of Investments	4,635	4,684
Total	7,319	7,270

In view of , non viability of manufacturing activities, subsidiary Company has discontinued the activities w.e.f. 7th December 2019 and surrendered various Licences for the said activities and pending the decision for future course of action. Considering above facts, Company has impaired Investments in subsidiary.

3.2 LOANS - NON CURRENT

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans and advances to employees - Considered Good-Unsecured	475	838
Total	475	838

3.3 OTHER FINANCIAL ASSETS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	1,500	1,594
Total	1,500	1,594

4 INCOME TAX ASSETS (NET)

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance income tax net of provisions	8,568	8,790
Total	8,568	8,790

5 OTHER NON CURRENT ASSETS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	646	318
Capital Advances	1,584	9,468
CST & VAT receivable on Assessment	68	68
Total	2,298	9,854

6 INVENTORIES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials	45,302	76,606
Raw-Materials in-transit	20,526	11,170
Work-in-progress	15,783	17,191
Finished goods	4,563	5,485
Finished Goods in-transit	13,883	14,191
Packing Material , Stores and Spares	4,302	4,578
Others - Scrap	91	43
Total	1,04,450	1,29,264

(i) The mode of valuation has been stated in Note 1.10

(ii) Inventories have been hypothecated as security for borrowings

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2023

7 FINANCIAL ASSETS : CURRENT

7.1 TRADE RECEIVABLES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Trade Receivables Considered Good-Unsecured	1,19,603	2,00,607
(ii) Trade Receivables which have a significant increase in Credit Risk	6	18
(iii) Trade receivable -Credit Impaired	14,346	14,298
Less: Allowance for Credit loss	14,346	14,299
Total	1,19,609	2,00,624

Includes Trade receivable from Related Parties : Rs. 17,47,737 /- (Previous Year Rs.4,79,458) Refer Note No. 30

Ageing of Trade Receivable

(Rs.in '000)

Particulars	As at 31st March, 2023						
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,14,458	5,002	11	131	-	-	1,19,603
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	6	-	-	-	6
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	0	13,928	-	418	14,346
-	-	-	-	-	-	-	-

Particulars	As at 31st March, 2022						
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,49,601	51,006	-	-	-	-	2,00,607
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	18	-	-	-	18
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	9,755	4,125	-	-	418	14,298

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2023

7.2 CASH AND CASH EQUIVALENTS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Balances with banks In current accounts	23,382	3,990
(ii) Cash in hand	186	317
Total	23,568	4,307

7.3 BANK BALANCES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
In Fixed Deposit Accounts, held as margin money against Letter of Credit & Bank Guarantee	2,116	4,943
Unpaid dividend accounts	576	708
Total	2,691	5,651

7.4 LOANS - CURRENT

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans and Advances to employees - considered good - unsecured	685	754
Total	685	754

7.5 OTHER FINANCIAL ASSETS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued on Fixed Deposits with Banks & Other Deposits	52	127
Discount Receivable	2,462	1,414
Total	2,514	1,541

8 OTHER CURRENT ASSETS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Government Authorities - tax credits	2,122	7,752
Prepaid expenses	6,862	4,225
Advance to Trade Payables	6,443	728
		-
Total	15,427	12,704

9 ASSETS CLASSIFIED AS HELD FOR SALE

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Property, plant and equipment	-	-
Plant and machinery retired from active use : Refer Note 9(i)	1,678	-
	-	-
TOTAL	1,678	-

9.1 : The Company has classified some non-current asset comprising of Net block value of plant and machinery as held for sale. The Company has measured these assets at Carrying amount only.

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2023

10 EQUITY SHARE CAPITAL

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs. 10/- each fully paid up	30,000	30,000
Total	30,000	30,000

Notes:

(i) Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorised share capital:	No. of shares	(Rs.in '000)
Balance as at 1st April,2022	1,00,00,000	1,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2023	1,00,00,000	1,00,000

Issued, Subscribed and paid up share capital:	No. of shares	(Rs.in '000)
Balance as at 1st April,2022	30,00,000	30,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2023	30,00,000	30,000

- (ii) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share
- (iii) The Paid-up Capital includes 1,500,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus shares by capitalising Rs.5,000,000 out of General Reserve and Rs.10,000,000 out of Revaluation Reserve prior to listing of Company's Equity Shares.
- (iv) The holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (v) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.
- Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.
- The Company declares and pays dividends in Indian rupees after deducting applicable taxes.

- (vi) During the Year there are no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of Shares Outstanding at the beginning of the reporting period.

(vii) Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity share of Rs. 10 each fully paid up with voting rights	Number of fully paid equity shares	% Holding
Mrs Amita J.Desai		
As at 31st March, 2022	542246	18.07%
As at 31st March, 2023	560760	18.69%
Mrs Charulata N.Patel		
As at 31st March, 2022	400752	13.36%
As at 31st March, 2023	420752	14.03%
Stuti J.Desai		
As at 31st March, 2022	155960	5.20%
As at 31st March, 2023	155960	5.20%
Silver Stream Properties LLP		
As at 31st March, 2022	476827	15.89%
As at 31st March, 2023	476827	15.89%

Ecoplast Ltd

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2023

(viii) Details of Shareholding of Promoters / Promoters Group

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
<u>Promoter</u>						
Amita Jaymin Desai	560760	18.69	0.62	542246	18.07	0.00
Silver Stream Properties LLP	476827	15.89	0.00	476827	15.89	0.00
Charulata Nitinbhai Patel	420752	14.03	0.67	400752	13.36	0.00
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
<u>Promoter Group</u>						
Stuti J Desai	155960	5.20	0.00	155960	5.20	0.00
Jaymin Balvantrai Desai	122335	4.08	0.00	122335	4.08	0.00
Nitinkumar Manubhai Patel	118061	3.94	0.00	118061	3.94	0.00
Jankee J Desai	78116	2.60	0.00	78116	2.60	0.00
Kunal Plastics Private Limited	36440	1.21	0.00	36440	1.21	0.00
Aditya Nitinkumar Patel	31962	1.07	0.00	31962	1.07	0.00
Nargis Pheroze Kharas	23400	0.78	0.00	23400	0.78	0.00
Nilay Nitinkumar Patel	11565	0.39	0.00	11565	0.39	0.00
Jaymin Balvantrai Desai HUF	6176	0.21	0.00	6176	0.21	0.00
Bankim Bhupendrabhai Desai	8640	0.29	0.29	0	0.00	0.00
Total	2051974	68.40		2004820	66.83	

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2023

11 OTHER EQUITY

(Rs.in '000)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Securities premium		
Balance as per last Balance Sheet	30,000	30,000
Closing Balance	30,000	30,000
(b) General reserve		
Balance as per last Balance Sheet	50,781	50,781
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing Balance	50,781	50,781
(c) Retained Earnings		
Balance as at beginning of the year	1,84,931	2,02,547
Add: Profit / (loss) for the year	44,454	(17,616)
	2,29,385	1,84,931
Closing Balance	2,29,385	1,84,931
(d) Other Comprehensive income		
Balance as at beginning of the year	(8,749)	(6,025)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	1,635	(2,724)
	(7,114)	(8,749)
Total	3,03,052	2,56,963

Securities premium

Securities premium is used to record the Premium on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriations purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to the general reserve, dividends or other

Other Comprehensive income

These are actuarial gains/ losses on employee benefit obligations.

12 FINANCIAL LIABILITIES - NON CURRENT

12.1 NON CURRENT BORROWINGS

(Rs.in '000)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Loans		
Term Loan from Bank	2,167	24,536
Car Loan under Hire Purchase	878	1,862
Total	3,045	26,398

Details:

- (i) The above are valued at Amortized cost.
- (ii) Interest Rate Profile of Term Loans & Deposits are set out as below:

Particulars	Rate of Interest (p.a.)	Rs.in'000
Term Loan from Bank	10.50%	2,167
Car Loan under Hire Purchase	8.30%	878
Total		3,045

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2023

(iii) Maturity Profile of Term Loans & Deposits is set out below:

Particulars	Maturity Profile (Rs.in'000)		
	1-2 years	3-4 years	> 4 years
Term Loan from Bank	2,167	-	-
Car Loan under Hire Purchase	878	-	-
Term Loan from Bank & Others	3,045	-	-

12.2 LEASE LIABILITIES - NON CURRENT

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Rent Liability	676	1,017
Total	676	1,017

13 PROVISIONS - NON CURRENT

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits:		
Provision for compensated absences	9,677	8,503
Total	9,677	8,503

14 DEFERRED TAX LIABILITIES (NET)

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	12,688	8,244
	12,688	8,244
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	3,614	8,852
Provision for doubtful debts / advances	3,991	3,978
Provision for diminution in the value of investments	1,586	1,586
On Account of Retiring Gratuity	767	-
Adjustment to Right to use asset	504	986
	10,462	15,402
Net deferred tax (Liability) / Asset	(2,226)	7,158

15 FINANCIAL LIABILITIES - CURRENT

15.1 BORROWINGS (SHORT TERM)

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans repayable on demand		
From banks		
Secured	-	83,652
Un Secured	-	-
Current maturities of long-term Secured Debts	7,484	17,755
From Others - Unsecured		
Inter Corporate Deposits	-	8,000
Total	7,484	1,09,407

(i) Details of Security for the secured short-term borrowings:

Secured by hypothecation of inventories, book debts of the Company both present & futures and collaterally secured by equitable mortgage of Company's Land and Factory Buildings at Abrama-Valsad and , hypothecation of Plant and Machineries and guaranteed by Managing Director.

The rate of interest of the said facility ranges from 8.9% to 10.50% Per annum.

(ii) The above are valued at Amortized cost.

15.2 TRADE PAYABLES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables:		
Micro, Small and Medium Enterprises	11,910	13,149
Trade Payable to Related Party	1,919	411
Others	49,754	61,594
Total	63,584	75,155

(i) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2023 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Principal Amount due and remaining unpaid	10	135
Interest due on above and the unpaid interest	0	3
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	6,373	3,056
Interest due and payable for the period of delay	58	13
Interest accrued and remaining unpaid	58	13
Amount of further interest remaining due and payable in succeeding years	58	13

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(ii) Ageing of Trade Payables:

(Rs.in '000)

Particulars	As at 31st March, 2023					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	11,901	10	-	-	-	11,910
(ii) Others	50,380	167	-	820	306	51,674
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

(Rs.in '000)

Particulars	As at 31st March, 2022					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	9,414	3,735	-	-	-	13,149
(ii) Others	51,190	9,995	-	820	-	62,005
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2023

15.3 OTHER FINANCIAL LIABILITIES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unclaimed dividends	576	709
Others -Net Salaries & Wages Payable	1,652	2,285
Total	2,228	3,008

15.4 LEASE LIABILITIES - CURRENT

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease rent Liability	1,135	2,527
Total	1,135	2,527

16 OTHER CURRENT LIABILITIES

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other payables		
Statutory dues payable	4,652	2,593
Advances from customers	8,492	12,333
Total	13,144	14,926

17 PROVISIONS

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits:		
Provision for Bonus	2,794	2,770
Provision for Compensated Absences	519	392
Provision for Gratuity	-	17,347
Total	3,313	20,509

18 REVENUE FROM OPERATIONS

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of products		
Manufactured goods		
Plastic Film	9,33,831	9,12,096
Others	5,828	13,666
Traded goods		
Others	14,830	8,982
Other operating revenues		
Sale of Scrap	1,342	1,373
Services rendered	4,307	5,026
Total	9,60,138	9,41,143

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue as per contracted price	9,68,022	9,51,077
Adjustments		
Sales return	6,976	6,206
Sales Price/ Quantity Difference/ Quality claims	648	1,536
Development Cost - free Samples	202	350
Discounts	58	1,842
Revenue from contract with customers	9,60,138	9,41,143

19 OTHER INCOME

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest income		
Interest from banks on Fixed Deposits	164	114
Interest Others	128	323
Interest on Employees Loan	81	52
Other non-operating income		
Profit on sale of fixed assets	21,884	454
Insurance Claim Received	9,652	2,112
Foreign Exchange Gain (net)	1,672	3,426
Impairment Provision written Back	49	-
Miscellaneous income	5,102	1,917
Sundry Creditors W.Back/ W.off	266	72
Total	38,998	8,468

20 COST OF MATERIALS CONSUMED

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock	76,649	64,101
Add: Purchases	6,29,258	7,15,383
Less: Closing Stock	45,394	76,649
Total	6,60,514	7,02,834

21 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN-TRADE AND WORK IN PROGRESS

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Inventories at the end of the year:		
Finished goods	18,092	18,923
Work-in-progress	15,783	17,191
Stock in-trade	354	753
	34,228	36,867
Inventories at the beginning of the year:		
Finished goods	18,923	13,728
Work-in-progress	17,191	11,897
Stock in-trade	753	-
	36,867	25,625
Net (increase) / decrease	2,638	(11,242)

22 EMPLOYEE BENEFIT EXPENSES

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages, Bonus and Other Allowances	82,867	83,301
Contributions to Provident and other funds	9,258	11,094
Staff Welfare expenses	607	872
Total	92,732	95,267

23 FINANCE COSTS

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest expense	6,153	8,635
Other Borrowing costs	2,797	1,979
Total	8,950	10,614

24 OTHER EXPENSES

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Consumption of Stores and Spare parts	1,716	810
Consumption of Packing Materials	25,968	19,304
Consumption of Printing Cylinders	1,742	1,847
Power and fuel	49,227	48,524
Conversion Charges Paid	3,195	994
Repairs and Maintenance - Buildings	3,060	2,972
Repairs and Maintenance - Machinery	4,967	9,357
Repairs and Maintenance - Others	493	518
Insurance	5,199	4,671
Rates and taxes	201	535
Plastic waste management Expense	1,294	-
Network Charges	519	745
Travelling and Conveyance	1,846	994
Printing and Stationery	522	506
Freight and forwarding	15,130	17,374
Sales Commission	2,254	909
Sales discount	197	69
Business promotion	89	26
Donations and contributions	300	300
CSR Expenditure	262	700
Motor Car Expenses	891	857
Security Charges	1,927	2,122
Directors Sitting Fees	510	600
Commission to Non-Executive Directors	426	-
Legal and Professional	5,277	4,019
Payments to Auditors (see note below)	758	656
Provision for doubtful trade receivables	47	12,875
Impairment loss of Assets held for sale	2,123	-
Loss on Sales / Discarded Assets	-	3,606
Impairment Loss on Investment	-	268
Other Miscellaneous Expenses	4,857	6,349
Total	1,34,997	1,42,505

(Rs.in '000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Payments to the auditors comprises to statutory auditors		
Audit Fees	450	400
Tax Audit Fees	80	80
Certification and Other Services	160	140
Reimbursement of Expenses	68	36
Total	758	656

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st March, 2023

25 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the

i. Profit attributable to Equity holders of Company

	(Rs.in '000)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit / (Loss) attributable to equity holders of the company for basic and diluted earnings per share	44,454	(17,616)

ii. Weighted average number of ordinary shares

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Number of issued equity shares	30,00,000	30,00,000
Nominal Value per share	10	10
Weighted average number of shares at 31st March for basic and diluted earnings per share	30,00,000	30,00,000
Basic and Diluted earnings per share (in Rs)	14.82	(5.87)

26 Tax Expense

(a) Amounts recognised in profit and loss

(Rs.in '000)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense		
Current year	8,472	374
Short/(Excess) provision of earlier years	(689)	(707)
Deferred tax expense		
Origination and reversal of temporary differences	9,741	(7,875)
Tax expense recognised in the income statement	17,524	(8,208)

(b) Amounts recognised in other comprehensive income

(Rs.in '000)

Particulars	For the year ended 31st March, 2023			For the year ended 31st March, 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	1,280	355	1,635	(2,131)	(593)	(2,724)
	1,280	355	1,635	(2,131)	(593)	(2,724)

(c) Reconciliation of effective tax rate

(Rs.in '000)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	%	Amounts	%	Amounts
Profit before tax		61,978		(25,824)
Tax using the Company's domestic tax rate	27.82%	17,242	27.82%	(7,184)
Tax effect of:				
Expenses not deductible for tax purposes	-14.15%	(8,770)	-29.27%	7,558
Income exempt from Income taxes				
Short/(Excess) provision of earlier years	-1.11%	(689)	2.74%	(707)
Others	15.72%	9,741	30.50%	(7,875)
Effective income tax rate	28.27%	17,524	31.78%	(8,208)

(d) Movement in deferred tax

(Rs.in '000)

Particulars	As at 31st March, 2022			As at 31st March, 2023		
	Net balance March 31, 2022	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Tax effect of items constituting deferred tax liability						
On difference between book balance and tax balance of fixed assets	8,244	4,445		12,688		12,688
Provision for compensated absences, gratuity and other employee benefits	(8,852)	5,594	(355)	(3,614)	3,614	
Provision for doubtful debts / advances	(3,978)	(13)		(3,991)	3,991	
Provision for diminution in the value of investments	(1,586)	-		(1,586)	1,586	
Loan to subsidiary	-	-		-	-	
On Account of Retiring Gratuity	-	(767)		(767)	767	
Financial Guarantee	-	-		-	-	
Adjustment to Right to use asset	(986)	482		(504)	504	-
	-	-		-		
Tax (Assets) / Liabilities (Net)	(7,158)	9,740	(355)	2,226	10,462	12,688

Ecoplast Limited Notes Forming Part of Financial Statements for the year ended 31st Mar, 2023

27 Financial instruments

A. Capital Management:

The Company's policy is to maintain a strong capital base so as to ensure that the Company is able to continue as going concern to sustain future development of the business. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market conditions.

Its guiding principles:

- i) Maintenance of financial strength to ensure the highest ratings;
- ii) Ensure financial flexibility and diversify sources at financing;
- iii) Manage Company exposure in forex to mitigate risks to earnings;
- iv) Leverage optimally in order to maximum shareholders returns while maintaining strength and flexibility of the balance sheet.

The policy is also adjusted based on underlying macro-economic factors affecting business environment, financial and market

The Company monitors capital on the basis of the following debt equity ratio:

(Rs.in '000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Borrowings	3,045	26,398
Less: Cash and bank balances	23,568	4,307
Net debt	(20,524)	22,091
Total equity	3,33,052	2,86,963
Net debt to equity ratio	-6.16%	7.70%

B Fair value measurement hierarchy:

(Rs.in '000)

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
At FVTPL		-	-	-	-	-	-	-
At FVTOCI		-	-	-	-	-	-	-
At Amortized cost								
Trade Receivables	1,19,609	-	-	-	2,00,624	-	-	-
Cash and cash equivalents	23,568	-	-	-	4,307	-	-	-
Bank balances other than above	2,691	-	-	-	5,651	-	-	-
Loans	1,159	-	-	-	1,593	-	-	-
Other financial assets	4,015	-	-	-	3,134	-	-	-
Financial liabilities								
At FVTPL		-	-	-	-	-	-	-
At Amortized cost								
Borrowings	10,528	-	-	-	1,35,805	-	-	-
Trade payables	63,584	-	-	-	75,155	-	-	-
Other financial liabilities	2,228	-	-	-	3,008	-	-	-
Lease Liability	1,811	-	-	-	3,544	-	-	-

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2022.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

- i) Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.
- ii) Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C Calculation of fair values:

Financial assets and liabilities measured at fair value as at Balance Sheet date:

Other financial assets and liabilities:-

- Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st Mar, 2023

28 Financial risk management

Risk management framework

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks, commodity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

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

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk
- E) Commodity Risk

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st Mar, 2023

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.11,96,09,006/- and Rs.20,06,23,785/- as at March 31, 2023 and March 31, 2022, respectively.

The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

The Company uses an allowance matrix to measure the expected credit losses of trade receivables. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

The following table provides information about the exposure to credit risk and ECLs for trade

Ageing of Trade receivables

(Rs.in '000)

Particulars	As at 31st Mar, 2023	As at 31st March, 2022
Not due	1,14,458	1,49,601
1 - 180 Days	5,002	60,761
181-360 Days	6	4,142
361-500 Days	14,070	1
More Than 500 days	418	418
Allowance for doubtful trade receivables (Expected credit loss allowance)	(14,346)	(14,299)
Total	1,19,609	2,00,624

Movement in provisions of doubtful debts

(Rs.in '000)

Particulars	As at 31st Mar, 2023	As at 31st March, 2022
Opening provision	14,299	1,424
Add: Additional provision made (Net of Reversal)	47 -	12,875
Closing provision	14,346	14,299

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 2,62,59,516/- as at 31st March, 2023 (Rs.99,57,441/- as at 31st March, 2022). The cash and cash equivalents are held with banks.

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(Rs.in '000)

Particulars	As at 31st Mar, 2022			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	1,35,805	1,09,407	26,398	-
Trade and other payables	75,155	74,291	864	-
Other financial liabilities	3,008	3,008	-	-
	2,13,968	1,86,707	27,261	-

(Rs.in '000)

Particulars	As at 31st Mar, 2023			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	10,528	7,484	3,045	-
Trade and other payables	63,584	62,458	1,126	-
Other financial liabilities	2,228	2,228	-	-
	76,340	72,170	4,171	-

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st Mar, 2023

C Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company operates internationally and portion of the business is transacted in several currencies. Consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports.

The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposure. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operation are adversely affected as the rupee appreciates/ depreciates against these currencies.

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in '000)

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
In US Dollars (USD)	189	239	37	151
In Euro (EUR)	-	26	-	-

(Rs.in '000)

Particulars	Liabilities (INR)		Assets (INR)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
In US Dollars (USD)	15,644	18,235	3,049	11,272
In Euro (EUR)	-	2,254	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD, EUR

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rs.in '000)

Impact on profit or loss and total equity

Particulars	USD impact	
	As at 31st March, 2023	As at 31st March, 2022
Increase in exchange rate by 5%	(630)	(348)
Decrease in exchange rate by 5%	630	348

(Rs.in '000)

Particulars	Euro impact	
	As at 31st March, 2023	As at 31st March, 2022
Increase in exchange rate by 5%	-	(113)
Decrease in exchange rate by 5%	-	113

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and one year. The above sensitivity does not include the impact of foreign currency forward contracts which largely mitigate the risk.

D Interest rate risk

There is no material interest risk relating to the Company's financial liabilities which are detailed in note 12.1 and 15.1

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st Mar, 2022

E Commodity Risk

Principal Raw Material for Company's products is variety of plastic polymers which are Derivatives of Crude Oil. Company sources its raw material requirement primarily from US Middle East and Europe. Domestic market prices are also generally remains in sync with international market price scenario.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand–supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy

Ecoplast Limited Notes Forming Part of Financial Statements for the year ended 31st March, 2023

29 Employee Benefits

[A] Defined contribution plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.53,42,161/- (As at 31st March, 2022: Rs.55,30,265/-) for Provident Fund contributions and Rs.28,68,744/- (As at 31st March, 2022: Rs.32,76,781/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

[B] Defined benefit plan:

The Employees' gratuity fund scheme managed by LIC of India is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

These plans typically expose the Company to actuarial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2023.

(Rs.in '000)

a) Changes in present value of obligations (PVO)	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Present Value of Benefit Obligation at the Beginning of the Period *	38,018	34,549
Interest cost	1,718	1,431
Past Service Cost	(2,045)	-
Current service cost	1,634	1,602
Benefits paid from the fund	(3,415)	(2,365)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(19)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(816)	2,197
Actuarial (Gains)/Losses on Obligations - Due to Experience	90	624
PVO at the end of the year	35,185	38,018

* Restated , please refer to the note no.40.

(Rs.in 000)

Particulars	As at 31st March, 2022			As at 01st April, 2021		
	As Previously Reported	Adjustment	As restated	As Previously Reported	Adjustment	As restated
PVO at the end of the year	23,768	14,250	38,018	20,590	13,959	34,549

Ecoplast Limited Notes Forming Part of Financial Statements for the year ended 31st March, 2023

(Rs.in '000)

b) Fair value of plan assets:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Fair value of plan assets at the beginning of the year	20,672	20,445
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	554	671
Interest income	1,495	1,421
Contributions by the employer	18,637	500
Benefits paid from the fund	(3,415)	(2,365)
Fair value of plan assets at the end of the year	37,943	20,672

(Rs.in '000)

c) Amount to be recognized in the balance sheet:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
PVO at the end of period	35,185	38,018
Fair value of plan assets at end of the period	37,943	20,672
Funded status (Surplus/(Deficit))	2,758	(17,347)
Net (Liability)/Asset Recognized in the Balance Sheet	2,758	(17,347)

(Rs.in '000)

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Current service cost	1,634	1,602
Net interest Cost	224	10
Past Service Cost	(1,590)	-
Expense recognized in the statement of profit or loss	268	1,612

(Rs.in '000)

e) Other comprehensive income (OCI):	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Actuarial (Gain)/Loss on Obligation for the period	(726)	2,802
Return on plan assets excluding Interest Income	(554)	(671)
Net (Income)/Expense For the Period Recognized in OCI	(1,280)	2,131

(Rs.in '000)

f) Actual return on the plan assets:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
	2,048	2,092

(Rs.in '000)

g) Category of Assets	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Insurance Fund	37,943	20,672

h) Assumption:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Expected Rate on Plan Assets	7.52%	7.23%
Rate of Discounting	7.52%	7.23%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate during employment	IALM(2012-14)	IALM(2012-14)
Mortality Rate After employment	N.A	N.A

Assumption:

1. Analysis of Defined Benefit Obligation

The number of members under the scheme have decreased by 11.94% (P.Y. by decreased 1.47%) However the total salary decreased by 9.37% (P.Y. Increased by 3.71%) during the accounting period.

2. Expected rate of return basis

The scheme funds are invested with Trustee of the Company which is based on rate of return declared by fund managers.

3. Description of Plan Assets

100 % of the Plan Asset is entrusted to trustees of the Company under their Group Gratuity Scheme.

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st March, 2023

i) Expected Payout:

(Rs.in '000)

Year	PVO payouts 31st March, 2023	PVO payouts 31st March, 2022
1st Following Year	2,217	1,462
2nd Following Year	2,184	1,736
3rd Following Year	1,410	5,222
4th Following Year	1,582	1,475
5th Following Year	1,922	801
Sum of years 6 to 10	30,045	11,720
Sum of years 11 and above	29,536	23,690

j) Sensitivity analysis

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

(Rs.in '000)

Particulars	31st March, 2023	31st March, 2022
Projected Benefit Obligation on Current Assumptions	35,185	23,768
Delta Effect of +1% Change in Rate of Discounting	(2,416)	(1,598)
Delta Effect of -1% Change in Rate of Discounting	2,725	1,826
Delta Effect of +1% Change in Rate of Salary Increase	2,294	1,541
Delta Effect of -1% Change in Rate of Salary Increase	(2,124)	(1,362)
Delta Effect of +1% Change in Rate of Employee Turnover	24	(39)
Delta Effect of -1% Change in Rate of Employee Turnover	(30)	46

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(Rs.in '000)

	Note	As at 31st March, 2023	As at 31st March, 2022
Total employee benefit liabilities			
Other current liabilities	17	-	(17,347)
Other current assets		2,758	-

(k) General Assumptions

(i) Leave Policy:

Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31 March 2023 is available for encashment on separation from the company upto a maximum of 90 days

(ii) The assumption of future salary increases, considered in actuarial valuations, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

(iii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

(iv) Short term compensated absences have been provided on actual basis.

30 Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" is given below :

I) Name of the related party and nature of relationship: -

(Rs.in '000)

Sr No	Particulars	22-23	21-22
A)	Subsidiary Company		
	Synergy Films Pvt.Ltd.		
	Sales of Goods	-	1,012
B)	Key Managerial Personnel (KMP)		
	Mr.J.B.Desai : Managing Director		
	Remuneration Paid	10,762	10,762
	Mr.Atul Bajjal : Whole Time Director		
	Remuneration Paid	5,720	5,374
	Mr. M. D. Desai : Chief Finance Officer (Resigned w.e.f. 31.03.22)		
	Remuneration Paid	-	4,227
	Mr. Vaibhavkumar Totla : Chief Finance Officer (Appointed w.e.f. 01.04.22)		
	Remuneration Paid	1,852	-
	Mr. Antony Alapat : Company Secretary (Resigned w.e.f. 31.10.21)		
	Remuneration Paid	-	799
	Mr. Rakesh Kumawat : Company Secretary (Appointed w.e.f.13.12.21)		
	Remuneration Paid	891	271
C)	Directors		
	Mr. M. B. Desai : Chairman /Independent Director		
	Sitting Fees Paid	190	210
	Commission Paid on Profit	-	-
	Mrs. C. N. Patel : Non Executive Director		
	Sitting Fees Paid	130	180
	Commission Paid on Profit	-	-
	Mr. B. M. Desai : Independent Director		
	Sitting Fees Paid	190	210
	Commission Paid on Profit	-	-
	Mr. D. T. Desai : Independent Director		
	Sitting Fees Paid	-	-
D)	Others :		
	Mr. Aditya N.Patel : Relative of Director		
	Remuneration Paid	1,280	1,146
	Mrs. Amita J.Desai : Relative of Director		
	Rent Paid	1,305	1,361
	Mr. Jay Shroff : Relative of Director		
	Rent Paid	1,370	1,428
E)	Kunal Plastics Private Limited (Propack Industries)		
	Sales of Goods	19,193	6,899
	Purchase of Goods	7,947	7,840
	Render Services	2,643	4,366
	Receiving Services	3,000	880
	Balance Receivable	1,748	479
	Balance Payable	1,919	411

Transactions with KMP		(Rs.in '000)	
Sr No	Particulars	22-23	21-22
1	Short Term benefits	19,225	21,433
2	Post employment benefits	-	-
3	Other Long term benefits	-	-
4	Termination benefits	-	-
5	Share based payment	-	-

Note: As the liabilities for defined benefit plans are provided on actuarial basis for the Group as a whole, the amounts pertaining to Key Management Personnel are not included.

Footnotes:

(i) All Related party transactions entered during the year were on ordinary course of business and are on arm's length basis.

(ii) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

31 (i) Capital Commitments

(Rs.in '000)

Particulars	Year ended	
	As at 31st March, 2023	As at 31 March, 2022
On account of Capital Commitments (Net of advances)	4,721	4,952
TOTAL	4,721	4,952

(ii) Contingent liabilities

(Rs.in '000)

Particulars	Year ended	
	As at 31st March, 2023	As at 31 March, 2022
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	7,291	7,291
TOTAL	7,291	7,291

32 Segment information :

The Company's sole business segment is Plastic Films and all activities are incidental to this sole business segment. Given this fact and that the Company services its domestic and export markets from India only, the financial statements reflect the information required by Ind AS 108 'Operating Segments' for the sole business segment of Plastic Films. The whole of the business assets are situated in India.

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st March, 2023

- 33 Disclosure As per Regulation 34(3) and 53(f) of the SEBI (Listing obligation and Disclosure requirements) Regulations, 2015
Name of Subsidiary Company : Synergy Films Private Limited (Rs.in '000)

Amount Outstanding		Maximum Balance outstanding during the year end		Investment by Subsidiary in Shares of the Company	
As at March, 31, 2023	As at March 31, 2022	As at March, 31, 2023	As at March 31, 2022	As at March, 31, 2023	As at March 31, 2022
-	649	-	649	Nil	Nil

- 34 The Company has imported Plant and Machineries under Export Promotion Capital Goods Scheme (EPCG) without payment of Custom Duty. In the event of non-fulfilment of export obligations as specified, Company may be held liable to pay custom duty of Rs.99.05 lacs (Previous year Rs.99.05 lacs) in terms of the said Scheme. As on 31st March 2023 Company is not in any default under the Scheme.
- 35 The Company prior to it being listed had issued Bonus shares on 29th June, 1994 for Rs. 10 Million (10,00,000 equity shares of Rs. 10/- each) by capitalising part of its revaluation reserve. Accordingly, the paid up equity share capital of the company stands increased by Rs. 10 Million and the revaluation reserve stands reduced by that amount. The issue of bonus shares as aforesaid is contrary to the circular issued by the Department of Company Affairs issued in September, 1994 and the recommendations of the Institute of Chartered Accountants of India issued in November, 1994. However, the Hon'ble Supreme Court in the decision in the case of Bhagwati Developers Vs Peerless General Finance & Investment Co. & others (2005) Comp LJ 377 (SC) has held that there is no specific bar under the Companies Act for issue of Bonus Shares out of Revaluation Reserve and that the Department's Communique was advisory in nature, without any mandatory effect. The Management is therefore of the opinion that both according to the

36 Leases

Operating lease:

The Company procures godown and Office on lease under operating leases. These rentals recognized in the Statement of Profit and Loss Account for the year ended 31st March, 2023 is Rs.28,62,963 (31st March, 2022 is Rs.29,12,325). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

(Rs.in '000)

Particulars	As at March, 31, 2023	As at March 31, 2022
Not later than one year	1,135	2,527
Later than one year but not later than five years	677	1,017
More than five years	-	-
Total minimum lease commitments	1,811	3,544

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The borrowing rate has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

- 37 The details of the expenditure on activities of Corporate Social Responsibilities (CSR) in pursuant to provisions of Section 135 of the Companies Act, 2013 are as under:

(Rs.in '000)

Particulars	As at March, 31, 2023	As at March 31, 2022
a) The gross amount required to be spent by the Company during the year	262	692
b) The amount spent during the year on CSR activities is as follows:	-	-
Amount spent during the year on :		
1) Construction/Acquisition of any asset -	-	-
2) On purpose other than (1) above	262	700

Note : CSR amount spent againsts rehabilitatuion of children / adults with diverse disabilities through Jaina Anupam N Parmar Charitable Trust.

38 Event occurring after Balance Sheet date:

The Board of Directors, at its meeting held on 25th May, 2023 have recommended a final dividend of Rs. 1.50/- per equity share of face value Rs. 10/- each for the financial year ended 31st March, 2023. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately Rs. 45.00 lakh for dividend. (Previous Year Rs.0 per Equity Share resulting in to total Outgo of Rs.0 /-)

39 Additional Regulatory Information

- 1 The Company does not have any transactions with Struck off Companies.
- 2 The Quarterly returns / Statements of current assets filed by the company with the banks in relation to secured borrowings, wherever applicable, are in agreement with the books of accounts.
- 3 **Key Financial Ratios:**

Ratio	Numerator	Denominator	Current Year	Previous Year	% of Variance	Reasons for Variances
Current ratio	Current Assets	Current Liabilities	2.98	1.57	89%	Fluctuation in Cash Flow
Debt-equity ratio	Total Debt	Shareholder's Equity	0.03	0.47	-93%	Repayment of Loans and lower utilization of Cash Credit
Debt service coverage ratio	Earnings available for debt service	Debt Service	3.43	0.92	271%	Improvement in Business operations
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.14	-0.06	342%	Improvement in Business operations
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	5.67	5.98	-5%	-
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	6.00	4.68	28%	Increased Sales and Debtor's level
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	9.26	9.05	2%	-
Net capital turnover ratio	Net Sales	Working Capital	5.34	7.28	-27%	-
Net profit ratio	Net Profit	Net Sales	0.05	-0.02	347%	Improvement in Business operations
Return on capital employed	Earning before interest and taxes	Capital Employed	0.21	-0.04	670%	Improvement in Business operations
Return on investment	Income (Finance)	Investments	Not Applicable as Investments made in subsidiary	Not Applicable as Investments made in subsidiary	-	-

- 40 In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at March 31, 2022 and April 1, 2021 (beginning of the preceding period) and Statement of Profit and Loss for the year ended March 31, 2022 for the reasons as stated below :"
- Due to the error and omission in previous periods, the Company has provided lower liability for Employees group gratuity scheme without considering the contractual obligation r.w.s 4(5) of the Payment of Gratuity Act, 1972. Consequently the Company has restated the opening balance of Other Equity to revise the estimate caused due to error.
- The impact of the said changes on the financial results (to the extent practicable) are as under:

(Rs.in '000)

Particulars	As at 31st March, 2022			As at 01st April, 2021		
	As Previously Reported	Adjustment	As restated	As Previously Reported	Adjustment	As restated
Other Equity	2,67,249	(10,286)	2,56,963	2,87,379	(10,076)	2,77,303
Deferred tax Asset / (liabilities)	3,194	(3,965)	7,158	(4,008)	(3,883)	(124)
Provisions	6,259	14,251	20,509	3,643	13,959	17,602
Employee Benefit Expenses	94,975	291	95,267	84,882	13,959	98,841
EPS	(5.80)	(0.07)	(5.87)	0.78	(3.35)	(2.57)

41 Authorization of Financial Statements:

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 25th May, 2023.

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMR2863

JAYMIN B. DESAI
Managing Director
DIN 00156221

ATUL BAIJAL
Whole Time Director
DIN 09046341

RAKESH KUMAR KUMAWAT
Company Secretary

VAIBHAV KUMAR TOTLA
Chief Finance Officer

Place: Surat
Date : 25th May 2023

Place: Mumbai
Date : 25th May 2023

Independent Auditor's Report

To The Members of ECOPLAST LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of ECOPLAST LIMITED (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those charged with Governance for the the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the Group (Holding Company and Subsidiary) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept 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, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2023 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 and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” which is based on the auditors’ reports of the Holding Company and its subsidiary company incorporated in India respectively. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - iv) Based on such examination, representations given by the management as per the requirements of Rule 11(e)(i) and (ii), nothing has come to our notice that has caused us to believe that the above-mentioned representations contain any material misstatement.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there is no qualifications remarks in this CARO report.

For Y. B. Desai and Associates
Chartered Accountants
Firm Registration No. 102368W

Date :- 25th May, 2023
Place :- Surat

Mayank Y. Desai
Partner
Membership No. :- 108310
UDIN : 23108310BGWRMS9143

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ECOPLAST LIMITED of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **ECOPLAST LIMITED** (hereinafter referred to as the “Holding Company”) and its subsidiary company, which is company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained and in terms of other auditor report referred to in paragraph of the Other Matters below, the audit evidence obtained by them, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 the explanations given to us, and based on auditor's report of the Subsidiary Company, incorporated in India, , have, 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 March 31, 2023, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Y. B. Desai and Associates
Chartered Accountants
Firm Registration No. 102368W

Mayank Y. Desai
Partner

Membership No. :- 108310
UDIN : 23108310BGWRMS9143

Date :- 25th May, 2023
Place :- Surat

Ecoplast Limited
Consolidated Balance Sheet as at 31st March, 2023
CIN : L25200GJ1981PLC004375

(Rs.in 000)

	Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022 *	As at 31st March, 2021 *
	ASSETS				
(1)	Non-current assets				
	(a) Property, Plant and Equipment	2.1	1,46,269	1,54,480	1,59,398
	(b) Capital work-in-progress	2.2	773	162	6,489
	(c) Right of use Asset	2.3	1,740	3,421	6,231
	(d) Financial Assets				
	(i) loan	3.1	475	838	224
	(ii) Others	3.2	1,500	1,593	1,746
	(e) Income Tax Assets (Net)	4	8,568	8,790	8,905
	(f) Other non-current assets	5	2,298	9,854	1,257
	(g) Deferred tax assets (net)	14	-	7,158	-
			1,61,623	1,86,296	1,84,250
(2)	Current assets				
	(a) Inventories	6	1,04,450	1,30,170	1,02,259
	(b) Financial Assets				
	(i) Trade Receivables	7.1	1,19,609	1,99,975	2,01,719
	(ii) Cash and cash equivalents	7.2	23,882	4,333	944
	(iii) Bank balances other than (ii) above	7.3	2,691	5,651	3,612
	(iv) Loans	7.4	685	754	697
	(v) Other financial assets	7.5	2,534	1,664	1,276
	(c) Other current assets	8	15,694	13,067	12,285
	(d) Assets classified as held for Sale	9	8,731	7,053	7,053
	Total current assets		2,78,276	3,62,667	3,29,845
	TOTAL ASSETS		4,39,899	5,48,963	5,14,095
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	10	30,000	30,000	30,000
	(b) Other Equity	11	3,03,052	2,56,963	2,77,303
	Total equity		3,33,052	2,86,963	3,07,303
	Liabilities				
(1)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	12.1	3,045	26,398	46,127
	(ii) Lease Liabilities	12.2	676	1,017	2,517
	(b) Provisions	13	9,677	8,503	7,149
	(c) Deferred tax liabilities (Net)	14	2,226	-	124
	Total non current liabilities		15,624	35,918	55,917
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	15.1	7,484	1,09,407	34,369
	(ii) Lease Liability	15.4	1,135	2,527	3,891
	(iii) Trade payables				
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	15.2	11,910	13,149	1,637
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	15.2	51,751	62,350	83,340
	(iv) Other financial liabilities	15.3	2,258	3,008	2,461
	(b) Other current liabilities	16	13,165	14,935	7,388
	(c) Provisions	17	3,520	20,706	17,789
	Total current liabilities		91,223	2,26,082	1,50,875
	TOTAL EQUITY AND LIABILITIES		4,39,899	5,48,963	5,14,095

The accompanying notes from 1 to 40 are an integral part of the financial statements
* Restated, Please refer note no.39.

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMS9143

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited
Consolidated Statement of Profit and loss for the Year ended 31st March, 2023
CIN : L25200GJ1981PLC004375

(Rs.in 000)

	Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022 *
I	Revenue from Operations	18	9,62,288	9,41,754
II	Other Income	19	39,050	8,387
III	TOTAL INCOME (I+II)		10,01,338	9,50,141
IV	Expenses			
	Cost of materials consumed	20	6,60,514	7,02,834
	Purchase of stock in trade		12,797	9,393
	Changes in inventories of finished goods, stock in trade and work-in-progress	21	3,544	(12,099)
	Employee benefits expense	22	93,271	95,815
	Finance costs	23	8,953	10,618
	Depreciation and amortization expense	2	24,530	26,593
	Other expenses	24	1,35,751	1,42,893
	TOTAL EXPENSES (IV)		9,39,360	9,76,047
V	Profit/(loss) before tax (III-IV)		61,978	(25,906)
VI	Tax expense:			
	(1)Current tax		8,472	374
	(2)Deferred tax		9,741	(7,875)
	(3)Tax in respect of Earlier Years		(689)	(707)
			17,524	(8,208)
VII	Profit/(loss) for the year		44,454	(17,698)
VIII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Define benefit Plans		1,280	(2,131)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Define benefit Plans		355	(593)
IX	Total Comprehensive Income for the Year (VII + VIII)		46,089	(20,422)
X	Earnings per equity share [Nominal value per share Rs.10]			
	(1)Basic	25	14.82	(5.90)
	(2)Diluted		14.82	(5.90)

The accompanying notes from 1 to 40 are an integral part of the financial statements

* Restated, Please refer note no.39.

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMS9143

For and on behalf of the Board of Directors

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited
Consolidated Cash Flow Statement for the year ended 31st March, 2023
CIN : L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	(Rs.in 000)		(Rs.in 000)	
A. Cash flow from operating activities				
Net Profit/(loss) before Tax as per Statement of Profit and Loss		61,978		(25,906)
<u>Adjustments for:</u>				
Depreciation and amortization and impairment	24,530		26,593	
(Profit) / loss on sale / write off of assets (net)	(21,884)		3,153	
Finance costs	8,953		10,618	
Interest income	(373)		(489)	
Other Comprehensive Income	1,280		(2,131)	
Liabilities / provisions no longer required written back	(101)		-	
Provision for doubtful trade and other receivables, loans and advances	47		12,875	
		12,452		50,619
Operating profit before working capital changes		74,430		24,713
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	25,720		(27,911)	
Trade receivables	80,318		(11,131)	
Short-term loans and advances	69		(58)	
Long-term loans and advances	456		(461)	
Other current financial assets	(870)		(387)	
Other non current assets	7,778		(8,481)	
Other current assets	(2,627)		(782)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(11,838)		(9,478)	
Other current liabilities	(1,769)		7,547	
Other financial and lease liabilities	(2,382)		(2,317)	
Other non current liabilities	689		707	
Short-term provisions	(17,186)		2,917	
Long-term provisions	1,173		1,355	
		79,531		(48,480)
		1,53,961		(23,767)
Cash generated from operations		1,53,961		(23,767)
Net income tax (paid) / refunds		(8,472)		(374)
Net cash flow from / (used in) operating activities (A)		1,45,489		(24,141)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(22,903)		(16,120)	
Proceeds from sale of fixed assets	27,861		509	
- Others	373		489	
		5,331		(15,122)
		5,331		(15,122)
Net cash flow from / (used in) investing activities (B)		5,331		(15,122)

ECOPLAST LTD
Consolidated Cash Flow Statement for the year ended 31st March, 2023

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	(Rs.in 000)		(Rs.in 000)	
C. Cash flow from financing activities				
Proceeds / (Repayment) of long-term borrowings	(23,354)		(19,729)	
Net increase / (decrease) in Short term borrowings	(1,01,924)		75,039	
Finance cost	(8,953)		(10,618)	
		(1,34,231)		44,692
Net cash flow from / (used in) financing activities (C)		(1,34,231)		44,692
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		16,589		5,429
Cash and cash equivalents at the beginning of the year		9,984		4,555
Cash and cash equivalents at the end of the year		26,573		9,984
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		186		317
(b) Balances with banks				
(i) In current accounts		23,696		4,016
(ii) In EEFC accounts				
(ii) In deposit accounts				
(ii) In earmarked accounts (Refer Note (2) below)		2,691		5,651
		26,573		9,984

Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS - 7) on statement of Cash Flow.
- 2 The previous year's figures have been regrouped/ restated wherever necessary to confirm to this year's classification.
- 3 Earmarked account balances with banks can be utilized only for the specific identified purposes.

The accompanying notes from 1 to 40 are an integral part of the financial statements

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants
Firm ICAI Registration No. 102368W

MAYANK Y. DESAI

Partner
Membership No : 108310
UDIN : 23108310BGWRMS9143

For and on behalf of the Board of Directors

JAYMIN B. DESAI

Managing Director
DIN 00156221

ATUL BAIJAL

Whole Time Director
DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Ecoplast Limited

Statement of changes in equity for the year ended 31st March, 2023

a. Equity Share Capital:

(Rs.in '000)

Particulars	Amount
Balance as at the 31 March 2022	30,000
Changes in equity share capital during the year	-
Balance as at the 31 March 2023	30,000

b. Other Equity:

(Rs.in '000)

Particulars	Reserves and Surplus			Other Comprehensive Income (OCI)	Total Equity
	General Reserve	Securities Premium	Retained Earnings		
As at 31st March, 2021	50,781	30,000	2,11,856	(5,258)	2,87,379
Effect of change due to restatement			(10,076)		(10,076)
As at 01st April, 2021	50,781	30,000	2,01,780	(5,258)	2,77,303
Profit / (Loss) for the year	-	-	(17,698)		(17,698)
Corporate Dividend			-		-
Other comprehensive income for the year	-	-			
Remeasurement of the Net Defined benefit liability/Asset, net of tax effect	-	-		(2,642)	(2,642)
As at 31st March, 2022	50,781	30,000	1,84,082	(7,900)	2,56,963
Profit / (Loss) for the year			44,453		44,453
Corporate Dividend			-		-
Other comprehensive income for the year					
Remeasurement of the Net Defined benefit Liability/asset, net of tax effect	-	-	-	1,636	1,636
As at 31st March, 2023	50,781	30,000	2,28,534	(6,264)	3,03,052

The accompanying notes from 1 to 40 are an integral part of the financial statements

As per our Report of even date.

For Y.B.Desai & Associates

Chartered Accountants

Firm ICAI Registration No. 102368W

For and on behalf of the Board of Directors

MAYANK Y. DESAI

Partner

Membership No : 108310

UDIN : 23108310BGWRMS9143

JAYMIN B. DESAI

Managing Director

DIN 00156221

ATUL BAIJAL

Whole Time Director

DIN 09046341

RAKESH KUMAR KUMAWAT

Company Secretary

VAIBHAV KUMAR TOTLA

Chief Finance Officer

Place: Surat

Date : 25th May 2023

Place: Valsad

Date : 25th May 2023

Corporate Information

Ecoplast Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L25200GJ1981PLC004375. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing, processing and selling of Co-extruded Plastic Film for packaging and industrial applications. The principal place of business of the company is at Abrama-Valsad. The Company caters to both domestic and international markets. It has various certifications like ISO 9001, ISO 14001 and ISO 22000 registration for products thereby complying with globally accepted quality standards.

1) Principles of Consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

The Subsidiary Company in the consolidated financial statement is:

Nam	:	Synergy Films Private Limited
Country of Incorporation	:	India
% Voting power held	:	100

1. Statement of Significant Accounting Policies

Basis of Preparation:

The consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The consolidated financial statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company's presentation and functional currency is Indian Rupees (Rs.). All figures appearing the consolidated financial statements are rounded off to the Rupees in thousands except where otherwise indicated.

1.1. Use of Judgment and Estimates:

The preparation of Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the consolidated Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2. Property, Plant and Equipment

- 1.2.1. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2. The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.4. Expenditure on assets not exceeding threshold limit are charged to revenue.
- 1.2.5. Spare parts which meet the definition of Property, Plant and Equipment are capitalised as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to consolidated Statement of Profit and Loss on consumption.
- 1.2.6. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the consolidated Statement of Profit and Loss when the asset is de-recognised.
- 1.2.7. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated 100% in the year of acquisition.
- 1.3.2. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.3. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.4. Depreciation is charged on additions/ deletions on pro-rata monthly basis including the month of addition/ deletion.

1.4. Intangible Assets

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5. Investment Property

- 1.5.1. Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.

- 1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in consolidated Statement of Profit and Loss.

1.6. Borrowing Costs

- 1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the consolidated Statement of Profit and Loss.

1.7. Non current asset held for sale

- 1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
- 1.7.3. Property, Plant and Equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.8. Leases

- 1.8.1. **Finance Leases**
A lease agreement that transfers substantially all the risks and rewards irrespective of whether title is transferred is classified as a finance lease.

- 1.8.2. **Operating Leases**
Lease Agreements which are not classified as finance leases are considered as Operating Leases.

- 1.8.3. **Determining whether an arrangement contains a lease**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

1.9. Impairment of Non-financial Assets

- 1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.10 Inventories

- 1.10.1. The cost for the purpose of valuation of Finished and Semi - Finished goods is arrived at on FIFO basis and also Cost of conversion which includes an appropriate share of production overheads based on normal operating capacity and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.
- The mode of valuing closing stock is as under:
- Raw Materials, Packing Materials, Machinery Spares, Ink and Fuel - at Cost or Net Realizable
 - Finished and Semi - Finished goods – at lower of cost or net realizable value
 - Scrap - net realizable value
- 1.10.2. Customs duty/GST on Raw materials/ finished goods lying in bonded warehouse is provided for at the applicable rates except where liability to pay duty is transferred to consignee.
- 1.10.3. Raw materials held for use in production of Finished Goods are written down below Cost , only if, the estimated Cost or Net Realizable Value of Finished Goods will not exceed Net Realizable Value of such Raw Materials."
- 1.10.4. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.11 Revenue Recognition

- 1.11.1. **Sale of Goods**
Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.
- Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less..
- Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.
- 1.11.2. Claims are recognized on settlement. Export incentives are accounted where there is reasonable assurance that the incentive income will be received and all attached conditions will be complied with.
- 1.11.3. Interest income is recognized using Effective Interest Rate (EIR) method.
- 1.11.4. Dividend is recognized when right to receive the income is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.12 Classification of Income/ Expenses

- 1.12.1. Income/ expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of consolidated financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.
- 1.12.2. Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

1.13 Employee benefits

1.13.1.

Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the consolidated Statement of Profit and Loss of the year in which the related services are rendered.

1.13.2.

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Defined Contribution Plans

Superannuation :

The Company has Defined Contribution Plan for Post employment benefits in the form of Superannuation Fund for certain class of employees as per the scheme, administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees and is charged to revenue every year. Company has no further obligation beyond its contributions.

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Employee's Family Pension :

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

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Provident Fund:

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.13.3.

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Defined Benefit Plans

Gratuity :

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

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Compensated Absences :

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying salary on the date of availment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.13.4.

Termination Benefits:

Termination benefits are recognised as an expense as and when incurred.

1.13.5.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.13.6.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated Statement of Profit and Loss.

1.13.7.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.13.8.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.14 Foreign Currency Transactions

1.14.1.

Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

1.14.2.

Non – Monetary items:

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.

1.15 Investment in Subsidiaries

Investments in subsidiary company carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary company, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated Statement of Profit and Loss.

1.16 Government Grants

- 1.16.1. Government grants are recognized at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- 1.16.2. When the grant relates to an expense item, it is recognized in consolidated Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- 1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17 Provisions, Contingent Liabilities and Capital Commitments

- 1.17.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 1.17.2. The expenses relating to a provision is presented in the consolidated Statement of Profit and Loss net of reimbursements, if any.
- 1.17.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- 1.17.5. Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 1.17.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18 Fair Value measurement

- 1.18.1. The Company measures certain financial instruments at fair value at each reporting date.
- 1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.
- 1.18.3. 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in consolidated Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

- 1.18.5. While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 1.18.6. When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- 1.18.7. If there is no quoted price in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.
- 1.18.8. The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19 Financial Assets

- 1.19.1. **Initial recognition and measurement**
- Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.
- 1.19.2. **Subsequent measurement**
- Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.
- Debt instruments at amortised cost**
- A 'debt instrument' is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose
- To hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- 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 and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the consolidated Statement of Profit and Loss.
- Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**
- A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:
- The asset is held within a business model whose objective is achieved by both
- collecting contractual cash flows and selling financial assets and
 - contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
- After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the consolidated Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the consolidated Statement of Profit and Loss.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

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

1.19.3.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet)

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The rights to receive cash flows from the asset have expired, or

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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:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the consolidated Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.4.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20 Financial Liabilities

1.20.1.

Initial recognition and measurement

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.2.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in consolidated Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL 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 and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the consolidated Statement of Profit and Loss.

1.21 Financial guarantees

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

1.22 Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.23 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, or to realise the assets and settle the liabilities simultaneously.

1.24 Taxes on Income

1.24.1.

Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

1.24.2.

Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.25 Earnings per share

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

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

1.26 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.27 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value. For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.28 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

2.1 Property, Plant & Equipment and Intangible Assets

Particulars	Land - Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying value as on March 31, 2021	5,096	45,527	2,01,377	2,375	7,092	8,054	2,69,520
Additions	-	890	20,688	157	-	1,231	22,967
Deletions	-	-	6,602	83	-	312	6,996
Gross Carrying value as on March 31, 2022	5,096	46,417	2,15,464	2,449	7,092	8,973	2,85,491
Additions	-	3,718	17,467	153	79	97	21,513
Deletions	-	4,145	3,801	-	2,535	109	10,590
Gross Carrying value as on March 31, 2023	5,096	45,990	2,29,130	2,602	4,635	8,961	2,96,414
Accumulated depreciation as on March 31, 2021	-	9,857	92,706	913	1,896	4,750	1,10,123
Depreciation charge for the year	-	2,040	20,053	245	594	1,290	24,222
Depreciation charged upto disposal	-	-	3,027	34	-	274	3,335
Accumulated depreciation as on March 31, 2022	-	11,897	1,09,733	1,124	2,490	5,766	1,31,011
Depreciation charge for the year	-	1,987	18,205	243	597	1,037	22,069
Depreciation charged upto disposal	-	594	-	-	2,315	26	2,935
Accumulated depreciation as on March 31, 2023	-	13,289	1,27,938	1,367	772	6,777	1,50,145
Carrying value							
At 31st March, 2021	5,096	35,670	1,08,671	1,462	5,196	3,304	1,59,398
At 31st March, 2022	5,096	34,520	1,05,731	1,325	4,601	3,207	1,54,480
At 31st March, 2023	5,096	32,700	1,01,192	1,235	3,863	2,184	1,46,269

(i) Gross Block include Rs.24.46 Lacs on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.

(ii) Assets were mortgaged / hypothecated as security for borrowing from bank.

(iii) Impairment loss has been recognized in statement of profit and loss under Impairment on PPE.

(iv) The Company has classified some non-current asset comprising of Net block value of plant and machinery as held for sale. The Company has measured these assets at Carrying amount only. (Value of Asset Held for Sale shown separately in Note.No.9)

2.2 Capital work-in-progress

(Rs.in 000)

Carrying amount	As at 31st March, 2023	As at 31st March, 2022
Capital work-in-progress	773	162

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

2.3 Leased Assets

(Rs.in 000)		
Particulars	Buildings	
Gross Carrying value as on March 31 , 2021	7,945	(a) The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.
Additions	-	
Deletions	439	
Gross Carrying value as on March 31 , 2022	7,507	
Additions	808	
Deletions	556	
Gross Carrying value as on March 31 , 2023	7,759	
Accumulated depreciation as on March 31, 2021	1,715	
Depreciation charge for the year	2,371	
Depreciation on deletion	-	In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of 9.6% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
Accumulated depreciation as on March 31, 2022	4,085	
Depreciation charge for the year	2,461	
Depreciation on deletion	527	
Accumulated depreciation as on March 31, 2023	6,019	
Net Carrying value		(b) The Company's leases of building for office premises
At 31st March,2021	6,231	
At 31st March,2022	3,421	
At 31st March,2023	1,740	

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

3 FINANCIAL ASSETS : NON CURRENT

3.1 LOANS : NON CURRENT

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Loans and advances to employees - Considered Good-Unsecured	475	838
Total	475	838

3.2 OTHER FINANCIAL ASSETS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Security deposits	1,500	1,593
Total	1,500	1,593

4 INCOME TAX ASSET (NET)

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Advance income tax net of provisions	8,568	8,790
Total	8,568	8,790

5 OTHER NON CURRENT ASSETS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Prepaid Expenses	646	318
Capital Advances	1,584	9,467
CST & VAT receivable on Assessment	68	68
Total	2,298	9,854

6 INVENTORIES

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Raw materials	45,302	76,612
Raw-Materials in-transit	20,526	12,069
Work-in-progress	15,783	17,191
Finished goods	4,563	5,485
Finished Goods in-transit	13,883	14,191
Stores , Spares and Packing Materials.	4,302	4,579
Others - Scrap	91	43
Total	1,04,450	1,30,170

Footnote:

- (i) The mode of valuation has been stated in Note 1.10.1
- (ii) Inventories have been hypothecated as security for borrowings

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

7 FINANCIAL ASSETS : CURRENT

7.1 TRADE RECEIVABLES

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
(i) Trade Receivables Considered Good-Unsecured	1,19,603	1,99,958
(ii) Trade Receivables which have a significant increase in Credit Risk	6	18
(iii) Trade receivable -credit Impaired	14,346	14,298
Less: Allowance for credit loss	(14,346)	(14,299)
Total	1,19,609	1,99,975

Includes Trade receivable from Related Parties : Rs. 17,47,737 /- (Previous Year Rs. 4,79,458) Refer Note No. 30

Ageing of Trade Receivable

(Rs.in 000)

Particulars	As at31st March, 2023						
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,14,458	5,002	11	131	-	-	1,19,603
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	6	-	-	-	6
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	0	13,928	-	418	14,346

Particulars	As at31st March, 2022						
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,49,601	51,006	-	-	-	-	2,00,607
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	18	-	-	-	18
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	9,755	4,125	-	-	418	14,298

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

7.2 CASH AND CASH EQUIVALENTS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
(i) Balances with banks		
In current accounts	23,696	4,016
(ii) Cash in hand	186	317
Total	23,882	4,333

7.3 BANK BALANCES

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
In Fixed Deposit Accounts, held as margin money against Letter of Credit	2,116	4,943
Unpaid dividend accounts	576	708
Total	2,691	5,651

7.4 LOANS : CURRENT

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Loans and Advances to employees	685	754
Total	685	754

7.5 OTHER FINANCIAL ASSETS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Interest accrued on Fixed Deposits with Banks & Other Deposits	71	250
Discount Receivable	2,463	1,414
Total	2,534	1,664

8 OTHER CURRENT ASSETS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Balance with Government Authorities - tax credits	2,261	7,970
Prepaid expenses	6,866	4,244
Advance to Trade Payables	6,447	732
Security deposits - Considered good	120	121
Total	15,694	13,067

9 ASSETS CLASSIFIED AS HELD FOR SALE

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Property, Plant and equipment		
Plant and machinery retired from active use (Refer Note 9.1)	8,731	7,053
TOTAL	8,731	7,053

9.1 : The Company has classified non-current asset of Subsidiary company comprising of Net block value of building and other Misc asset as held for sale. Company has discontinued its existing activities in a Building Constructed on Leasehold Land and has surrendered various licenses required for the said activities on 7th December, 2019, and pending for the decision for future course of actions.

The Company has measured these assets at Carrying amount only.

10 EQUITY SHARE CAPITAL

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised 1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid up 30,00,000 Equity Shares of Rs. 10/- each fully paid up	30,000	30,000
Total	30,000	30,000

Notes:

Reconciliation of number of shares outstanding at the beginning and end of the year:

(Rs.in 000)

i) Authorised share capital:	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 1st April, 2022	1,00,00,000	1,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2023	1,00,00,000	1,00,000

Issued, Subscribed and paid up share capital:	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 1st April, 2022	30,00,000	30,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2023	30,00,000	30,000

- ii) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share
- iii) The Paid-up Capital includes 1,500,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus shares by capitalising Rs.5,000,000 out of General Reserve and Rs.10,000,000 out of Revaluation Reserve prior to listing of Company's Equity Shares.
- iv) The holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- v) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.
- Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.
- The Company declares and pays dividends in Indian rupees after deducting applicable taxes.
- vi) During the Year there are no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of Shares Outstanding at the beginning of the reporting period.
- vii) **Details of shares held by each shareholder holding more than 5% shares in the Company:**

Equity share of Rs. 10 each fully paid up with voting rights	% Holding	Number of fully paid equity shares
Mrs Amita J.Desai As at 31st March, 2022 As at 31st March, 2023	18.07% 18.69%	542246 560760
Mrs Charulata N.Patel As at 31st March, 2022 As at 31st March, 2023	13.36% 14.03%	400752 420752
Stuti J.Desai As at 31st March, 2022 As at 31st March, 2023	5.20% 5.20%	155960 155960
Silver Stream Properties LLP As at 31st March, 2022 As at 31st March, 2023	15.89% 15.89%	476827 476827

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ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

(viii) Details of Shareholding of Promoters / Promoters Group

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Promoters						
Amita Jaymin Desai	560760	18.69	0.62	542246	18.07	0.00
Silver Stream Properties LLP	476827	15.89	0.00	476827	15.89	0.00
Charulata Nitinbhai Patel	420752	14.03	0.67	400752	13.36	0.00
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
Promoter Group						
Stuti J Desai	155960	5.20	0.00	155960	5.20	231.01
Jaymin Balvantrai Desai	122335	4.08	0.00	122335	4.08	18.72
Nitinkumar Manubhai Patel	118061	3.94	0.00	118061	3.94	0.00
Jankee J Desai	78116	2.60	0.00	78116	2.60	0.00
Kunal Plastics Private Limited	36440	1.21	0.00	36440	1.21	0.00
Aditya Nitinkumar Patel	31962	1.07	0.00	31962	1.07	0.00
Nargis Pheroze Kharas	23400	0.78	0.00	23400	0.78	0.00
Nilay Nitinkumar Patel	11565	0.39	0.00	11565	0.39	0.00
Jaymin Balvantrai Desai HUF	6176	0.21	0.00	6176	0.21	0.00
Bhupendra B. Desai	0	0.00	0.00	0	0.00	-100.00
Bankim Bhupendrabhai Desai	8640	0.29	0.29	0	0.00	-100.00
Total	2051974	68.40		2004820	66.83	

11 OTHER EQUITY

(Rs.in 000)		
Particulars	As at 31st March, 2023	As at 31st March,2022
(a) Securities premium		
Balance as per last Balance Sheet	30,000	30,000
Closing Balance	30,000	30,000
(b) General reserve		
Balance as per last Balance Sheet	50,781	50,781
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing Balance	50,781	50,781
(c) Retained Earnings		
Balance as per last Balance Sheet	1,84,082	2,01,780
Add: Profit for the year	44,454	(17,698)
	2,28,535	1,84,082
Less: Appropriations		
Payment of final Dividend to equity shareholders (Rs 1.50 per share)	-	-
Closing Balance	2,28,535	1,84,082
(d) Other Comprehensive income		
Balance as at beginning of the year	(7,900)	(5,258)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	1,635	(2,642)
	(6,265)	(7,900)
Total	3,03,052	2,56,963

Securities premium

Securities premium used to record the Premium on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriations purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to the general reserve, dividends or other distributions paid to shareholders

Other Comprehensive income

These are actuarial gains/ losses on employee benefit obligations.

12 FINANCIAL LIABILITIES - NON CURRENT

12.1 NON CURRENT BORROWINGS

(Rs.in 000)		
Particulars	As at 31st March, 2023	As at 31st March,2022
Secured Loans		
Term Loan from Bank	2,167	24,536
Car Loan under Hire Purchase	878	1,862
Total	3,045	26,398

Details:

i) The above are valued at Amortized cost.

ii) Interest Rate Profile of Term Loans & Deposits are set out as below:

Particulars	Rate of Interest (p.a.)	Rs.in '000
Term Loan from Bank	10.50%	2,167
Car Loan under Hire Purchase	8.30%	878
		3,045

iii) Maturity Profile of Term Loans & Deposits is set out below:

Particulars	Maturity Profile (Rs.in'000)		
	1-2 years	3-4 years	> 4 years
Term Loan from Bank-VIII	2,167	-	-
Term Loan from Bank & Others	878	-	-

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

12.2 LEASE LIABILITIES - NON CURRENT

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Lease rent Liability	676	1,017
Total	676	1,017

13 PROVISIONS - NON CURRENT

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Provision for employee benefits:		
Provision for compensated absences	9,677	8,503
Total	9,677	8,503

14 DEFERRED TAX LIABILITIES (NET)

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	12,688	8,244
Tax effect of items constituting deferred tax liability	12,688	8,244
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits	3,614	8,852
Provision for doubtful debts / advances	3,991	3,978
Provision for diminution in the value of investments	1,586	1,586
On Account of Retiring Gratuity	767	-
Adjustment to Right to use asset	504	986
Tax effect of items constituting deferred tax assets	10,462	15,402
Net deferred tax (Liability) / Asset	(2,226)	7,158

15 FINANCIAL LIABILITIES - CURRENT

15.1 BORROWINGS (SHORT TERM)

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Loans repayable on demand		
From banks		
Secured	-	83,652
Current maturities of long-term Secured Debts	7,484	17,755
From Others - Unsecured		
Inter Corporate Deposits	-	8,000
Total	7,484	1,09,407

- (i) Secured by hypothecation of inventories, book debts of the Company both present & futures and collaterally secured by equitable mortgage of Company's Land and Factory Buildings at Abrama-Valsad and , hypothecation of Plant and Machineries and guaranteed by Managing Director.

The rate of interest of the said facility ranges from 8.9% to 10.5% Per annum.

- (ii) The above are valued at Amortized cost.

15.2 TRADE PAYABLES

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Trade payables:		
Micro, Small and Medium Enterprises	11,910	13,149
Trade Payable to Related Party	1,919	411
Others	49,832	61,939
Total	63,662	75,499

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

(i) Disclosure under the Micro, Small and Medium Enterprises Development Act,

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2023 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	(Rs.in 000)	
	As at 31st March, 2023	As at 31st March,2022
Principal Amount due and remaining unpaid	10	169
Interest due on above and the unpaid interest	10	0
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	6,373	4,236
Interest due and payable for the period of delay	58	13
Interest accrued and remaining unpaid	58	13
Amouont of further interest remaining due and payable in succeeding years	58	13

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(ii) Ageing of Trade Payables:

Particulars	(Rs.in 000)					
	As at 31st March, 2023					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	11,901	10	-	-	-	11,910
(ii) Others	50,458	167	-	820	306	51,751
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Particulars	As at 31st March, 2022					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	9,414	3,735	-	-	-	13,149
(ii) Others	51,535	9,995	-	820	-	62,350
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

15.3 OTHER FINANCIAL LIABILITIES

Particulars	(Rs.in 000)	
	As at 31st March, 2023	As at 31st March,2022
Unclaimed dividends	576	709
Unclaimed matured deposits and interest accrued thereon	-	15
Others -Net Salaries & Wages Payable	1,682	2,285
Total	2,258	3,008

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Notes to Consolidated Financial Statements for the year ended 31st March, 2023

15.4 LEASE LIABILITIES - CURRENT

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Lease rent Liability	1,135	2,527
Total	1,135	2,527

16 OTHER CURRENT LIABILITIES

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Other payables		
Statutory dues payable	4,673	2,602
Advances from customers	8,492	12,332
Total	13,165	14,935

17 PROVISIONS

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March,2022
Provision for employee benefits:		
Provision for Bonus	2,833	2,809
Provision for Compensated Absences	582	455
Provision for Gratuity	105	17,442
Total	3,520	20,706

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

18 REVENUE FROM OPERATIONS

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of products		
<u>Manufactured goods</u>		
Plastic Film	9,33,831	9,12,096
Others	5,828	12,654
<u>Traded goods</u>		
Others	16,980	10,605
Other operating revenues		
Sale of Scrap	1,342	1,373
Render Services	4,307	5,026
Total	9,62,288	9,41,754

(Rs.in 000)

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue as per contracted price	9,70,172	9,51,688
Adjustments		
Sales return	6,976	6,206
Sales Price/ Quantity Difference/ Quality claims	648	1,536
Development Cost - free Samples	202	350
Discounts	58	1,842
Revenue from contract with customers	9,62,288	9,41,754

19 OTHER INCOME

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest income		
Interest from banks on Fixed Deposits	164	114
Interest on Deposit with Dakshin Gujarat Vij Co Ltd. & Others	128	323
Interest on Employees Loan	81	52
Other non-operating income		
Profit on sale of fixed assets	21,884	454
Liabilities / provisions no longer required written back (net)	101	-
Insurance Claim Received	9,652	2,112
Gain on foreign currency transactions and translation (net)	1,672	3,426
Miscellaneous income	5,102	1,835
Sundry Creditors W.back/ W.off	266	72
Total	39,050	8,387

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

20 COST OF MATERIALS CONSUMED

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Stock	76,649	64,101
Add: Purchases	6,29,258	7,15,383
Less: Closing Stock	45,394	76,649
Total	6,60,514	7,02,834

21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Inventories at the end of the year:		
Finished goods	18,092	18,923
Work-in-progress	15,783	17,191
Stock in-trade	354	1,659
	34,228	37,772
Inventories at the beginning of the year:		
Finished goods	18,923	13,728
Work-in-progress	17,191	11,897
Stock in-trade	1,659	48
	37,772	25,673
Net (increase) / decrease	3,544	(12,099)

22 EMPLOYEE BENEFIT EXPENSES

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages, Bonus and Other Allowances	83,291	83,726
Contributions to Provident and other funds	9,299	11,137
Staff Welfare expenses	681	952
Total	93,271	95,815

23 FINANCE COSTS

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest expense	6,153	8,635
Other Borrowing costs	2,801	1,983
Total	8,953	10,618

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

24 OTHER EXPENSES

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Consumption of Stores and Spare parts	1,716	810
Consumption of Packing Materials	25,968	19,304
Consumption of Printing Cylinders	1,742	1,847
Power and fuel	49,239	48,553
Conversion Charges Paid	3,195	994
Repairs and Maintenance - Buildings	3,060	2,972
Repairs and Maintenance - Machinery	4,967	9,357
Repairs and Maintenance - Others	501	535
Insurance	5,230	4,723
Rates and taxes	207	541
Plastic Waste Management Expense	1,294	-
Network Charges	529	767
Travelling and Conveyance	1,846	994
Printing and Stationery	522	506
Freight and forwarding	15,130	17,376
Sales Commission	2,254	909
Sales discount	197	69
Business promotion	89	26
Donations and contributions	300	300
CSR Expenditure	262	700
Motor Car Expenses	891	857
Security Charges	2,215	2,410
Directors Sitting Fees	510	600
Commission to Non-Executive Directors	426	-
Legal and Professional	5,289	4,062
Payments to Auditors	778	676
Rent including lease rentals	71	71
Loss on Sales / Discarded Assets	-	3,606
Provision for doubtful trade receivables	47	12,875
Impairment of Plant and Machinery	2,123	-
Other Miscellaneous Expenses	5,152	6,454
Total	1,35,751	1,42,893

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Payments to the auditors comprises :		
To Statutory auditors :		
Audit Fees	470	420
Tax Audit Fees	80	80
Certification and Other Services	160	140
Reimbursement of Expenses	68	36
Total	778	676

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

25 Earnings per share (EPS)

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

i. Profit attributable to Equity holders of Company

(Rs.in 000)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit attributable to equity holders of the company for basic and diluted earnings per share	44,454	(17,698)

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Number of issued equity shares	30,00,000	30,00,000
Nominal Value per share	10.00	10
Weighted average number of shares at 31st March for basic and diluted earnings per share	30,00,000	30,00,000
Basic and Diluted earnings per share (in Rs)	14.82	(5.90)

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

26 Tax Expense

(a) Amounts recognised in profit and loss

(Rs.in 000)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense		
Current year	8,472	374
Short/(Excess) provision of earlier years	(689)	(707)
Deferred tax expense		
Origination and reversal of temporary differences	9,741	(7,875)
Tax expense recognised in the income statement	17,524	(8,208)

(b) Amounts recognised in other comprehensive income

(Rs.in 000)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Items that will not be reclassified to profit or loss						
plans	1,280	355	1,635	(2,131)	(593)	(2,724)
Equity Instruments through Other Comprehensive Income			-			-
	1,280	355	1,635	(2,131)	(593)	(2,724)

(c) Reconciliation of effective tax rate

(Rs.in 000)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	%	Amounts	%	Amounts
Profit before tax		61,978		(25,615)
Less: Profit of subsidiary on which tax is not payable		49		(268)
Net profit on which tax is payable		62,027		(25,883)
Tax using the Company's domestic tax rate	27.82%	17,242	27.82%	(7,171)
Tax effect of:				
Expenses not deductible for tax purposes	-14.14%	(8,770)	-29.15%	7,545
Short/(Excess) provision of earlier years				
Income exempt from Income taxes		(689)		(707)
Tax due to change in tax rate				
Others	15.70%	9,741	30.43%	(7,875)
Effective income tax rate	29.39%	17,524	29.10%	(8,208)

(d) Movement in deferred tax

(Rs.in 000)

Particulars	As at 31st March, 2022				As at 31st March, 2023		
	Net balance 31 Mar, 2022	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net	Deferred tax asset	Deferred tax liability
On difference between book balance and tax balance of fixed assets	8,244	4,445			12,688		12,688
Loan to subsidiary	-	-			-		-
Financial Guarantee	-	-			-		-
Amortisation of government grant	-	-	-		-		
Provision for compensated absences, gratuity and other employee benefits	(8,852)	5,594	(355)		(3,614)	3,614	
Provision for doubtful debts / advances	(3,978)	(13)			(3,991)	3,991	
investments	(1,586)	-			(1,586)	1,586	
On Account of Retiring Gratuity	-	(767)			(767)	767	
Adjustment to Right to use asset	(986)	482			(504)	504	
Tax (Assets) / Liabilities (Net)	(7,158)	9,740	(355)		2,226	10,462	12,688

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

27 Financial instruments

Capital

A. Management:

The Company's policy is to maintain a strong capital base so as to ensure that the Company is able to continue as going concern to sustain future development of the business. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market conditions.

Its guiding principles

- Maintenance of financial strength to ensure the highest ratings;
- Ensure financial flexibility and diversify sources at financing;
- Manage Company exposure in forex to mitigate risks to earnings;
- Leverage optimally in order to maximum shareholders returns while maintaining strength and flexibility of the balance sheet.

The policy is also adjusted based on underlying macro-economic factors affecting business environment, financial and market conditions.

The Company monitors capital on the basis of the following debt equity ratio:

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Borrowings	3,045	26,398
Less: Cash and bank balances	23,882	4,333
Net debts	(20,837)	22,065
Total equity	3,33,052	2,86,963
Net debt to equity ratio	-6.26%	7.69%

B Fair value measurement hierarchy:

(Rs.in 000)

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At FVTOCI	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Trade Receivables	1,19,609	-	-	-	1,99,975	-	-	-
Cash and cash equivalents	23,882	-	-	-	4,333	-	-	-
Bank balances other than above	2,691	-	-	-	5,651	-	-	-
Loans	1,159	-	-	-	1,593	-	-	-
Other financial assets	4,034	-	-	-	3,256	-	-	-
Financial liabilities	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Borrowings	10,528	-	-	-	1,35,805	-	-	-
Trade payables	63,662	-	-	-	75,499	-	-	-
Other financial liabilities	2,258	-	-	-	3,008	-	-	-
Lease Liability	1,811	-	-	-	3,544	-	-	-

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2022

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C Calculation of fair values:

Financial assets and liabilities measured at fair value as at Balance Sheet date:

Other financial assets and liabilities:-

-Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

-Loans and Investments have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

28 Financial risk management

Risk management framework

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks, commodity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

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

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk
- E) Commodity Risk

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.11,96,09,006/- as at 31.03.23 and Rs.19,99,74,785/- as at March 31, 2022.

The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

The Company uses an allowance matrix to measure the expected credit losses of trade receivables. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

Ageing of Trade receivables (Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Not due	1,14,458	1,49,272
1 - 180 Days	5,002	60,440
181-360 Days	6	4,142
361-500 Days	14,070	1
More Than 500 days	418	418
trade receivables (Expected credit loss allowance)	(14,346)	(14,299)
Total	1,19,609	1,99,975

Movement in provisions of doubtful debts

(Rs.in 000)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening provision	14,299	1,424
Additional provision made	47	
Provision Reverse	-	12,875
Closing provision	14,346	14,299

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 2,65,72,914/- as at 31st March, 2023 (31st March, 2022 : Rs. 99,83,472/-). The cash and cash equivalents are held with banks.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities , by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(Rs.in 000)

Particulars	As at 31st March, 2022			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	1,35,805	1,09,407	26,398	
Trade and other payables	75,499	75,499	-	-
Other financial liabilities	3,008	3,008	-	-
	2,14,313	1,87,915	26,398	-

(Rs.in 000)

Particulars	As at 31st March, 2023			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	10,528	7,484	3,045	-
Trade and other payables	63,662	63,662	-	-
Other financial liabilities	2,258	2,258	-	-
	76,448	73,403	3,045	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

C Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company operates internationally and portion of the business is transacted in several currencies. Consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports.

The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposure. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operation are adversely affected as the rupee appreciates/depreciates against these currencies.

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Rs.in'000)

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
In US Dollars (USD)	189	239	37	151
In Euro (EUR)	-	26	-	-

(Rs.in'000)

Particulars	Liabilities (INR)		Assets (INR)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
In US Dollars (USD)	15,644	18,235	3,049	11,272
In Euro (EUR)	-	2,254	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD, EUR

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Impact on profit or loss and total equity (Rs.in'000)

Particulars	USD impact	
	As at 31st March, 2023	As at 31st March, 2022
Increase in exchange rate by 5%	(630)	(348)
Decrease in exchange rate by 5%	630	348

(Rs.in'000)

Particulars	Euro impact	
	As at 31st March, 2023	As at 31st March, 2022
Increase in exchange rate by 5%	-	(113)
Decrease in exchange rate by 5%	-	113

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and one year. The above sensitivity does not include the impact of foreign currency forward contracts which largely mitigate the risk.

D Interest rate risk

There is no material interest risk relating to the Company's financial liabilities which are detailed in note 12.1 and 15.1

Ecoplast Limited**Notes to Consolidated Financial Statements for the year ended 31st Mar., 2023****E Commodity Risk**

Principal Raw Material for Company's products is variety of plastic polymers which are Derivatives of Crude Oil. Company sources its raw material requirement primarily from US Middle East and Europe. Domestic market prices are also generally remains in sync with international market price scenario.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand–supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

29 Employee Benefits

[A] Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 53,65,921/- (As at 31st March, 2022 : Rs.55,54,025) for Provident Fund contributions and Rs. 28,68,744 (As at 31st March, 2022 : Rs.32,76,781) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

[B] Defined benefit plan:

The Employees' gratuity fund scheme managed by LIC of India . is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

These plans typically expose the Company to actuarial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2023.

(Rs.in 000)		
a) Changes in present value of obligations (PVO)	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Present Value of Benefit Obligation at the Beginning of the Period *	38,018	34,549
Interest cost	1,718	1,431
Past Service Cost	(2,045)	-
Current service cost	1,634	1,602
Benefits paid from the fund	(3,415)	(2,365)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic	-	(19)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	(816)	2,197
Actuarial (Gains)/Losses on Obligations - Due to Experience	90	624
PVO at the end of the year	35,185	38,018

* Restated , please refer to the note no.40.

(Rs.in 000)						
Particulars	As at 31st March, 2022			As at 01st April, 2021		
	As Previously Reported	Adjustment	As restated	As Previously Reported	Adjustment	As restated
PVO at the end of the year	23,768	14,250	38,018	20,590	13,959	34,549

(Rs.in 000)		
b) Fair value of plan assets:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Fair value of plan assets at the beginning of the year	20,672	20,445
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	554	671
Interest income	1,495	1,421
Contributions by the employer	18,637	500
Benefits paid from the fund	(3,415)	(2,365)
Fair value of plan assets at the end of the year	37,943	20,672

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

(Rs.in 000)

c) Amount to be recognized in the balance sheet:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
PVO at the end of period	35,185	38,018
Fair value of plan assets at end of the period	37,943	20,672
Funded status (Surplus/(Deficit))	2,758	(17,347)
Net (Liability)/Asset Recognized in the Balance Sheet	2,758	(17,347)

(Rs.in 000)

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Current service cost	1,634	1,602
Net interest Cost	224	10
Past Service Cost	(1,590)	-
Expense recognized in the statement of profit or loss	268	1,612

(Rs.in 000)

e) Other comprehensive income (OCI):	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Actuarial (Gain)/Loss on Obligation for the period	(726)	2,802
Return on plan assets excluding Interest Income	(554)	(671)
Net (Income)/Expense For the Period Recognized in OCI	(1,280)	2,131

(Rs.in 000)

f) Actual return on the plan assets:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
	2,048	2,092

(Rs.in 000)

g) Category of Assets	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Insurance Fund	37,943	20,672

(Rs.in 000)

h) Assumption:	Gratuity - Funded	
	31st March, 2023	31st March, 2022
Expected Rate on Plan Assets	7.52%	7.23%
Rate of Discounting	7.52%	7.23%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate during employment	IALM(2012-14)	IALM(2012-14)
Mortality Rate After employment	N.A	N.A

Assumption:**1. Analysis of Defined Benefit Obligation**

The number of members under the scheme have decreased by 11.94% (P.Y. by decreased 1.47%) However the total salary decreased by 9.37% (P.Y. Increased by 3.71%) during the accounting period.

2. Expected rate of return basis

The scheme funds are invested with Trustee of the Company which is based on rate of return declared by fund managers.

3. Description of Plan Assets

100 % of the Plan Asset is entrusted to trustees of the Company under their Group Gratuity Scheme.

i) Expected Payout:

(Rs.in 000)

Year	PVO payouts 31st March, 2023	PVO payouts 31st March, 2022
1st Following Year	2,217	1,462
2nd Following Year	2,184	1,736
3rd Following Year	1,410	5,222
4th Following Year	1,582	1,475
5th Following Year	1,922	801
Sum of years 6 to 10	30,045	11,720
Sum of years 11 and above	29,536	23,690

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

j) Sensitivity analysis

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

(Rs.in 000)		
Particulars	31st March, 2023	31st March, 2022
Projected Benefit Obligation on Current Assumptions	35,185	23,768
Delta Effect of +1% Change in Rate of Discounting	(2,416)	(1,598)
Delta Effect of -1% Change in Rate of Discounting	2,725	1,826
Delta Effect of +1% Change in Rate of Salary Increase	2,294	1,541
Delta Effect of -1% Change in Rate of Salary Increase	(2,124)	(1,362)
Delta Effect of +1% Change in Rate of Employee Turnover	24	(39)
Delta Effect of -1% Change in Rate of Employee Turnover	(30)	46

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(Rs.in 000)			
Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
Total employee benefit liabilities			
Other current liabilities	16	-	(17,347)
Other current assets		2,758	-

(k) General Assumptions

(i) Leave Policy:

Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31 March 2023 is available for encashment on separation from the company upto a maximum of 90 days

(ii) The assumption of future salary increases, considered in actuarial valuations, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

(iii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

(iv) Short term compensated absences have been provided on actual basis.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

30 Related party transactions

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

l) Name of the related party and nature of relationship: -

(Rs.in 000)

Sr No	Particulars	2022-23	2021-22
a)	Key Managerial Personnel (KMP)		
	Mr.J.B.Desai : Managing Director Remuneration Paid	10,762	10,762
	Mr.Atul Baijal : Whole Time Director Remuneration Paid	5,720	5,374
	Mr. M. D. Desai : Chief Finance Officer (Resigned w.e.f. 31.03.22) Remuneration Paid	-	4,227
	Mr. Vaibhavkumar Totla : Chief Finance Officer(Appointed w.e.f.01.04.22) Remuneration Paid	1,852	-
	Mr. Antony Alapat : Company Secretary (Resigned w.e.f. 31.10.21) Remuneration Paid	-	799
	Mr. Rakesh Kumawat : Company Secretary (Appointed w.e.f.13.12.21) Remuneration Paid	891	271
b)	Directors		
	Mr. M. B. Desai : Chairman /Independent Director Sitting Fees Paid Commission Paid on Profit	190 -	210 -
	Mrs. C. N. Patel : Non Executive Director Sitting Fees Paid Commission Paid on Profit	130 -	180 -
	Mr. B. M. Desai : Independent Director Sitting Fees Paid Commission Paid on Profit	190 -	210 -
	Mr. D. T. Desai : Independent Director Commission Paid on Profit	-	-
c)	Others :		
	Mr. Aditya N.Patel : Relative of Director Remuneration Paid	1,280	1,146
	Mrs. Amita J.Desai : Relative of Director Rent Paid	1,305	1,361
	Mr. Jay Shroff : Relative of Director Rent Paid	1,370	1,428
d)	Kunal Plastics Private Limited (Propack Industries)		
	Sales of Goods	19,193	6,899
	Purchase of Goods	7,947	7,840
	Render Services	2,643	4,366
	Receiving Services	3,000	880
	Balance Receivable	1,748	479
	Balance Payable	1,919	411

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

Transactions with KMP		(Rs.in 000)	
Sr No	Particulars	2022-23	2021-22
1	Short Term benefits	19,225	21,433
2	Post employment benefits	-	-
3	Other Long term benefits	-	-
4	Termination benefits	-	-
5	Share based payment	-	-

*As the liabilities for defined benefit plans are provided on actuarial basis for the Group as a whole, the amounts pertaining to Key Management Personnel are not included.

Footnotes:

- (i) All Related party transactions entered during the year were on ordinary course of business and are on arm's length
- (ii) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump

31 (i) Contingent liabilities

Particulars	Year ended	
	As at 31st March, 2023	As at 31 March, 2022
On account of Capital Commitments (Net of advances)	4,721	4,952
TOTAL	4,721	4,952

(ii) Contingent liabilities

Particulars	Year ended	
	As at 31st March, 2023	As at 31 March, 2022
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	7,291	7,291
TOTAL	7,291	7,291

32 Segment information :

The Company's sole business segment is Plastic Films and all activities are incidental to this sole business segment. Given this fact and that the Company services its domestic and export markets from India only, the financial statements reflect the information required by Ind AS 108 'Operating Segments' for the sole business segment of Plastic Films. The whole of the business assets are situated in India.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

- 33 The Company has imported Plant and Machineries under Export Promotion Capital Goods Scheme (EPCG) without payment of Custom Duty. In the event of non-fulfilment of export obligations as specified, Company may be held liable to pay custom duty of Rs.99.05 lacs (Previous year Rs.99.05 lacs) in terms of the said Scheme. As on 31st March 2021 Company is not in any default under the Scheme.
- 34 The Company prior to it being listed had issued Bonus shares on 29th June, 1994 for Rs. 10 Million (10,00,000 equity shares of Rs. 10/- each) by capitalising part of its revaluation reserve. Accordingly, the paid up equity share capital of the company stands increased by Rs. 10 Million and the revaluation reserve stands reduced by that amount. The issue of bonus shares as aforesaid is contrary to the circular issued by the Department of Company Affairs issued in September, 1994 and the recommendations of the Institute of Chartered Accountants of India issued in November, 1994. However, the Hon'ble Supreme Court in the decision in the case of Bhagwati Developers Vs Peerless General Finance & Investment Co. & others (2005) Comp LJ 377 (SC) has held that there is no specific bar under the Companies Act for issue of Bonus Shares out of Revaluation Reserve and that the Department's Communique was advisory in nature, without any mandatory effect. The Management is therefore of the opinion that both according to the accounting principles and provisions of Company Law, the Company was justified in capitalizing its Revaluation Reserve.

35 Leases

Operating lease:

The Company has acquired warehouse and leasehold land under operating lease. These rentals recognized in the Statement of Profit and Loss Account for the year is Rs. 28,83,691 /- (31st March, 2022 : Rs. 24,41,756/-). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

(Rs.in 000)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Not later than one year	1,206	2,598
Later than one year but not later than five years	962	1,302
More than five years	2,783	2,855
Total	4,951	6,755

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The borrowing rate of 9.6% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

- 36 The details of the expenditure on activities of Corporate Social Responsibilities (CSR) in pursuant to provisions of Section 135 of the Companies Act, 2013 are as under:

(Rs.in 000)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
a) The gross amount required to be spent by the Company during the year	262	692
b) The amount spent during the year on CSR activities is as follows:	-	-
Amount spent during the year on :	-	-
1) Construction/Acquisition of any asset -	-	-
2) On purpose other than (1) above	262	700

Note : CSR amount spent againsts rehabilitatuion of children / adults with diverse disabilities through Jaina Anupam N Parmar Charitable Trust.

37 Event occurring after Balance Sheet date:

The Board of Directors, at its meeting held on 25th May, 2023 have recommended a final dividend of Rs. 1.50/- per equity share of face value Rs. 10/- each for the financial year ended 31st March, 2023. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately Rs. 45.00 lakh for dividend. (Previous Year Rs.0 per Equity Share resulting in to total Outgo of Rs.0 /-)

38 Additional Regulatory Information

The Company does not have any transactions with Struck off Companies.

- 39 In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at March 31, 2022 and April 1, 2021 (beginning of the preceding period) and Statement of Profit and Loss for the year ended March 31, 2022 for the reasons as stated below :"
- Due to the error and omission in previous periods, the Company has provided lower liability for Employees group gratuity scheme without considering the contractual obligation r.w.s 4(5) of the Payment of Gratuity Act, 1972. Consequently the Company has restated the opening balance of Other Equity to revise the estimate caused due to error.
- The impact of the said changes on the financial results (to the extent practicable) are as under:

Particulars	As at 31st March, 2022			As at 01st April, 2021		
	As Previously Reported	Adjustment	As restated	As Previously Reported	Adjustment	As restated
Other Equity	2,67,249	(10,286)	2,56,963	2,87,379	(10,076)	2,77,303
Deffered tax Asset / (liabilities)	3,194	(3,965)	7,158	(4,008)	(3,883)	(124)
Provisions	6,455	14,251	20,706	3,686	14,103	17,789
Employee Benefit Expenses	95,523	291	95,815	85,427	13,959	99,387
EPS	(5.83)	(0.07)	(5.90)	0.68	(3.25)	(2.57)

40 Authorization of Financial Statements:

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 25 th May, 2023.

As per our Report of even date.			For and on behalf of the Board of Directors		
For Y.B.Desai & Associates					
Chartered Accountants					
Firm ICAI Registration No. 102368W					
MAYANK Y. DESAI			JAYMIN B. DESAI		
Partner			Managing Director		
Membership No : 108310			DIN 00156221		
UDIN : 23108310BGWRMS9143			ATUL BAIJAL		
			Whole Time Director		
			DIN 09046341		
			RAKESH KUMAR KUMAWAT		
			Company Secretary		
			VAIBHAV KUMAR TOTLA		
			Chief Finance Officer		
Place: Surat			Place: Valsad		
Date : 25th May 2023			Date : 25th May 2023		

ECOPLAST LIMITED

Regd. Office: National Highway No. 8, Water Works Cross Road, Abrama,
Valsad- 396001, Gujarat, CIN: L25200GJ1981PLC004375,
Tel: 9879554138, E-mail: investor@ecoplastindia.com
Website: www.ecoplastindia.com

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of
the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	_____
Registered address:	_____
E-mail Id:	_____
Folio No./ Client ID:	_____
DP ID No.	_____

I / We, being the member(s) of _____ equity shares of the above-named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature :, or failing him / her:
2. Name :
Address :
E-mail Id :
Signature :, or failing him / her:
3. Name :
Address :
E-mail Id :
Signature :, or failing him / her:

as my / our proxy to attend and vote for me/ us and on my/ our behalf at the 41st Annual General Meeting of the Company at “Shantivan Resort”, Atul Valsad Road, Vashiyar, Valsad- 396001, Gujarat” on Saturday, 2nd September 2023 at 12.00 noon, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr No.	Resolutions	For	Against
Ordinary Business:			
1.	Consider and adopt: a) the audited financial statement of the Company for the Financial Year ended on 31 st March 2023, together with the Directors’ and Auditor’s Report thereon; and b) the audited consolidated financial statement of the Company for the financial year ended on 31 st March 2023, together with the Auditor’s Report thereon.		
2.	Declare dividend on equity shares for the financial year ended 31 st March, 2023		
3.	Re-appointment of Ms. Charulata Patel (DIN: 00233935) who retires by rotation as Director.		

Signed this _____ day of _____, 2023

Affix
Revenue
Stamp of
Re.1/-

Signature of Shareholder

Signature of Proxy Holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

ECOPLAST LIMITED

Regd. Office: National Highway No. 8, Water Works Cross Road,
Abrama, Valsad- 396001 Gujarat, CIN: L25200GJ1981PLC004375
Tel: 9879554138, E-mail: investor@ecoplastindia.com
Website: www.ecoplastindia.com

41st ANNUAL GENERAL MEETING - ATTENDANCE SLIP

Name of the member(s) :
Registered address:
Folio/ DP ID- Client ID NO.* :
No. of Shares held :

*Applicable for the member(s) holding shares in Electronic Form.

I hereby record my presence at the 41st ANNUAL GENERAL MEETING of the Company at “Shantivan Resort”, Atul Valsad Road, Vashiyar, Valsad- 396001, Gujarat” on Saturday, 2nd September 2023 at 12.00 noon.

Name of the Member/Proxy#	Signature of the Member/Proxy#

#Stikeout whichever is not applicable.

- Notes: 1. Shareholder /Proxyholder wishing to attend the meeting must bring this Attendance slip to the meeting and hand it over at the entrance duly signed.
2. Shareholder/Proxyholder desiring to attend the meeting are requested to bring his/ her copy of the Annual Report for reference at the meeting.



Ecoplast Ltd.

Contact No. : 98795 54138
E-mail : info@ecoplastindia.com
Website : www.ecoplastindia.com

Regd. Office : National Highway No. 8, Water Works Cross Road, Abrama-Valsad -396002, Gujarat.
CIN-L25200GJ1981PLC004375

Date: 25th May, 2023

To
BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai 400 001



ISO 9001, 14001
& 22000
Certified Co.

BSE Scrip Code: 526703

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam

Pursuant to the Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we declare and confirm that the Auditor's Report on Standalone and Consolidated Financial Results for the financial year 31st March, 2023 are Un-modified.

Kindly take the same on your records.

Thanking you.

Yours faithfully,
For **ECOPLAST LIMITED**

ATUL JAI Digitally signed by
ATUL JAI
KISHAND KISHANDAS BAIJAL
AS BAIJAL Date: 2023.05.25
18:11:29 +05'30'

Atul Baijal
Whole-time Director
DIN: 09046341