Ecoplast Ltd.

Tel. No: 022-26833452 /1403
E-mail: info@ecoplastindia.com
Website: www.ecoplastindia.com

Head Office : Unit No.1309 & 1310, Thirteenth Floor, Hubtown Solaris, N.S. Phadke Road,
Opp.Telli Galli, Near East-West Flyover, Andheri East, Mumbai-400069

CIN-L25200GJ1981PLC004375

3rd August, 2021

The General Manager,
Bombay Stock Exchange Limited
Phiroz Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001

Scrip Code: 526703

Sub. : Annual Report for the financial year 2020 -21

Dear Sir,

This is with reference to the Thirty Ninth Annual General Meeting ("AGM") of the members of Ecoplast Limited to be held on Saturday, 28th August 2021 at 11.00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In this Connection, please find enclosed the Annual Report for the financial year 2020-21 as required under Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Thanking you,

Yours faithfully,
For Ecoplast Limited

ANTONY PIUS ALAPAT

Digitally signed by ANTONY PIUS ALAPAT
Date: 2021.08.03 15:43:33 +05'30'

Antony Alapat
Company Secretary

Regd.Office : National Highway No.8, Water Works Cross Road, Abrama-Valsad 396002, Gujarat.
Tel.: 91-02632 - 254153 / 226157 / 226560 Fax : 91-02632-226073 E-mail: info@ecoplastindia.com

Ecoplast Ltd

Thirty Ninth Annual Report and Statement of Accounts for the year ended 31st March 2021

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Ecoplast Limited

Annual Report 2020 -2021

Board of Directors	Mukul B. Desai	- Chairman
	Jaymin B. Desai	- Managing Director
	Dhananjay T. Desai	- Director
	Bhupendra M. Desai	- Director
	Charulata N. Patel	- Director
	Jehangir A. Moos	- Director (Ceased to be Director w.e.f 11th August 2020)
	Atul J. Baijal	- Additional Whole Time Director (Appointed as an Additional While Time Director w.e.f 11th February 2021)

Company Secretary & Compliance Officer Antony Alapat

Chief Financial Officer Mahadev Desai

Bankers
Bank of Baroda Main Branch,
Nani Khatriwad,
Valsad - 396 001, Gujarat.

Auditors
Y. B. Desai & Associates
Chartered Accountants
1/573, Gajanand Chambers,
Besides Anand Hospital,
Por Mahollo, Nanpura, Surat – 395001 .

Share Registrars & Transfer Agents
TSR Darashaw 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 - 396 002. Gujarat.
email : investor@ecoplastindia.com

Head Office
Unit no.1309 & 1310,13th Floor, Hubtown Solaris
N.S Phadke Road, Andheri (East), Mumbai : 400 069.

Website www.ecoplastindia.com

CIN L25200GJ1981PLC004375

NOTICE

Notice is hereby given that the Thirty Ninth Annual General Meeting of the members of Ecoplast Limited will be held on Saturday, 28th August 2021 at 11.00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") 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, 2021, 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,2021, together with the Report of the Auditors thereon.

2. To appoint a Director in place of Ms. Charulata Patel (holding DIN 00233935) who retires by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. Re-appointment of Mr. Jaymin Desai (DIN 00156221) as Managing Director of the Company and payment of remuneration to him.

   To consider and if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196,197,198,203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 and subject to such other approvals as may be necessary, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Jaymin Desai (DIN 00156221) as Managing Director of the Company for a period of three years with effect from 1st October,2021 to 30th September 2024 on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee, and as set out in the Statement setting out material facts annexed to the notice convening this meeting, with liberty and power to the Board of Directors (hereinafter referred to as 'the Board' which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment,

   RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Jaymin Desai as Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to Mr. Jaymin Desai the said remuneration as minimum remuneration subject to the ceiling limit prescribed in Schedule V to the Companies Act, 2013.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this resolution and/or to make any modification as may be deemed to be in the best interest of the Company."

4. Appointment of Mr. Atul Baijal (DIN 09046341) as Director of the Company.

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Atul Baijal (DIN 09046341) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 11th February, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company and whose term of office shall be subject to retirement by rotation."

5. Appointment of Mr. Atul Baijal (DIN 09046341) as Whole-time Director of the Company and payment of remuneration to him.

   To consider and if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196,197,198,203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirement) (Amendment) Regulation, 2018 and subject to such other approvals as may be necessary, the approval of the Company be and is hereby accorded to the appointment of Mr. Atul Baijal (DIN 09046341) as Whole-time Director of the Company for a period of three years with effect from 11th February,2021 to 10th February,2024 on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee, and as set out in the Statement setting out material facts annexed to the notice convening this meeting, with liberty and power to the Board of Directors (hereinafter referred to as 'the Board' which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment,

   RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Atul Baijal as Whole-time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to Mr. Atul Baijal the said remuneration as minimum remuneration subject to the ceiling limit prescribed in Schedule V to the Companies Act, 2013.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this resolution and/or to make any modification as may be deemed to be in the best interest of the Company."

6. Change in place of keeping Registers and Records

   To consider and, if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT in supersession of all Resolutions passed in this regard and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], consent of the Company be and is hereby accorded to keep the Registers and Indexes of Members and Debenture Holders and copies of all Annual Returns under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company at National Highway No.48, Waterworks Cross Road, Abrama Valsad-396002, Gujarat and/ or at the Company's Corporate Office at Unit No.1309 & 1310, Thirteenth Floor, Hubtown Solaris, N.S. Phadke Road, Andheri East, Mumbai-400069 and/ or at the office of TSR Darashaw Consultants Private Limited, Registrars and Share Transfer Agents of the Company at C-101, 1st Floor, 247 Park,Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083 or such other place where the office of the Registrar and Transfer Agents is situated from time to time.."

By Order of the Board
For Ecoplast Limited

Antony Alapat
Company Secretary

Registered Office:
National Highway No. 8,
Water Works Cross Road,
Abrama, Valsad – 396002,
Gujarat
CIN: L25200GJ1981PLC004375
Tel: (02632) 226157
E-mail : Antony@ecoplastindia.com,
Website : www.ecoplastindia.com
Mumbai, 13th May, 2021

Notes:

a) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and SEBI Circulars dated May 12, 2020 and 15th January, 2021 " (collectively referred to as "SEBI Circulars") and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting can be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

b) As this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with and the attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. As such, the facility for the appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including route map are not annexed to this Notice.

c) Brief Details of the directors, 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.

d) The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), which sets out details relating to the special business at the AGM is annexed hereto.

e) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

f) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars and SEBI Circulars the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.

g) In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.ecoplastindia.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

h) The Register of Members and the Share Transfer books of the Company will remain closed from Sunday, 22nd August, 2021 to Saturday, 28th August, 2021 (both days inclusive).

i) 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.

j) All correspondence relating to transfer of shares, 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 Darashaw Consultants Private Limited ("TSRDCPL"), C-101, 1st Floor, 247 Park,Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083..

k) 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).

l) 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.

m) 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 dematerialised form, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are therefore requested to convert their holdings into the dematerialised mode to avoid loss of shares and fraudulent transactions and better investor servicing.

n) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to investor@ecoplastindia.com.

o) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Wednesday, 25th August 2021 at 9:00 A.M.IST and ends on Friday, 27th August 2021 at 5:00 P.M.IST The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 21s August 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 21st August 2021.

How do I vote electronically using NSDL e-Voting system

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.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 options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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 held 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 options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
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. Once 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 options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	**Helpdesk details**

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to eco.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@ecoplastindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@ecoplastindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote on such resolutions at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@ecoplastindia.com. The same will be replied by the company suitably.

III. 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 21st August, 2021.

IV. Mr. P.N. Parikh (Membership No FCS: 327 CP: 1228) and failing him Mr. Mitesh Dhabliwala (Membership No FCS : 8331, CP : 9511) of Parikh & Associates., Practicing Company Secretaries, (Address : 111, 11th Floor, Sai Dwar CHS Ltd., Sab TV Lane, Opp. Laxmi Indl Estate, Off Link Road, Andheri (West), Mumbai - 400053.) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and votes cast through e-voting at the AGM in a fair and transparent manner.

V. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's 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.

VI. 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 NSDL https://www.evoting.nsdl.com within two(2) 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.

By Order of the Board
For Ecoplast Limited

Antony Alapat
Company Secretary

Registered Office:
National Highway No. 8,
Water Works Cross Road,
Abrama, Valsad – 396002,
Gujarat
CIN: L25200GJ1981PLC004375
Tel: (02632) 226157
E-mail : Antony@ecoplastindia.com,
Website : www.ecoplastindia.com
Mumbai, 13th May, 2021

ANNEXURE TO NOTICE

STATEMENT PURUSANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("Act")
The following Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3 :

At the 36th Annual General Meeting of the Company held on 14th September 2018 the members approved the re-appointment and terms of remuneration of Mr. Jaymin Desai as Managing Director of the Company for a period of 3 years from 1st October, 2018 to 30th September, 2021.

The term of appointment of Mr. Jaymin Desai would expire on 30th September, 2021.Considering the significant growth achieved by the Company and the ambitious growth plan for immediate future, the responsibilities borne by the Managing Director and the industry standards, the Board of Directors of the Company at its Meeting held on 13th May, 2021 has upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of members, approved the re-appointment and terms of remuneration of Mr. Jaymin Desai, as the Managing Director of the Company, for a term of 3 (Three) years w.e.f. from 1st October, 2021 to 30th September, 2024.

The terms of remuneration payable to Mr. Jaymin Desai, Managing Director are set out below:

a) SALARY: Rs. 6,79,921/- per month.

b) Perquisites: In addition to the aforesaid Salary, the Managing Director shall be entitled to the following perquisites:

   i) Medical Allowance of Rs.20,833 per month.

   ii) Reimbursement of Medical Insurance premium not exceeding Rs. 25,000/- per annum.

      ii) Personal Accident Insurance policy to cover the risk
      iii) up to an annual premium not exceeding a sum of Rs. 10,000/-

iv) Reimbursement of Leave Travel expenses as per rules of the Company for self and family not exceeding Rs 1,50,000/- per annum.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules, perquisites will be evaluated at actual costs.

Notwithstanding anything to the contrary here in contained, where, in any financial year during the currency of the tenure of Mr. Jaymin B Desai as the Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above Salary and perquisites, as Minimum Remuneration subject to the limits provided in Schedule V of the Companies Act, 2013.

c) The Managing Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

ii. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.

iii. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to encash leave at the end of his tenure as Managing Director.

iv. Provision for Car including driver's salary and Telephone at the residence of the Managing Director and mobile phone for the business of the Company shall not be treated as perquisites.

v. All income tax and other impositions, if any, in respect of Mr. Jaymin B. Desai's remuneration shall be calculated by the Company and deducted in accordance with the applicable provisions of the Income tax law for the time being in force.

I. General Information:

1) **Nature of Industry:** Manufacturing Industry – Plastics

2) **Date or expected date of Commencement of Commercial production:**
The Company has been in the business for many years

3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :** Not Applicable

4) **Financial performance based on given indicators:**

	2018-2019	**2019-2020**	**2020-2021**
Turnover	92,72,59,073	96,22,24,762	75,37,26,072
Net profit (as per profit & loss account)	3,38,90,306	3,38,84,780	23,54,418
Amount of Dividend paid	45,00,000	45,00,000	Nil
Rate of Dividend declared	15%	15%	0%

5) **Foreign investments or collaborations, if any :**
The Company has not entered into any foreign collaborations. The Company has not made any foreign investments.

II. Information about the appointee:

Mr. Jaymin B. Desai, Managing Director

1) **Background details: Name:** Mr. Jaymin B. Desai
Designation: Managing Director
Father's name: Balwantrai Desai
Nationality: Indian
Date of Birth: 30.09.1960
Qualifications: B.E (Chemical)

2) **Experience:** Over 36 years

3) **Past remuneration:** The gross remuneration paid to him in the year 2020-2021 was Rs.54.66 lacs per annum.

4) **Recognition or awards :** Nil

5) **Job profile and his suitability:** The Managing Director shall be responsible for the management of the whole of the affairs of the Company and to do all acts and things, which in the ordinary course of business, he considers necessary or proper or in the interest of the Company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.

6) **Remuneration proposed:** As mentioned above.

7) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :**
Taking into consideration the size of the Company, the profile of Mr. Jaymin Desai, his Responsibilities and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

8) **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :**
Besides the remuneration proposed to be paid to him, Ms. Jaymin Desai or any of his relatives do not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:

1) **Reasons of loss or Inadequate profits:**
Reduction in order position due to Covid 19 Pandemic, Inability to pass on the increased raw material prices to the Customers, hike in ocean freight of imports and exports.

2) **Steps taken or proposed to be taken for improvement:**
Cost Control, focus on high value added goods, adding new customers.

3) **Expected increase in productivity and profits in measurable terms etc:** Due to prevailing Covid 19 Pandemic, It is unable to predict the increase in productivity and Profits in measurable terms.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Corporate Governance Report under the heading details of Remuneration paid to Directors for the year ended 31st March, 2021.

The Board recommends Resolution at Item No.4 as a Special Resolution for approval of the members.

None of the other Directors, KMPs ,and their relatives except Mr. Jaymin Desai are in any way concerned or interested, financially or otherwise in the above resolutions.

Item No. 4 & 5:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at its Meeting held on 11th February 2021 appointed Mr. Atul Baijal as the Additional Director and Whole Time Director of the Company with effect from 11th February, 2021. He will hold the office as Additional Director till the conclusion of the ensuing Annual General Meeting. The Company has received from a member of the Company, a notice under Section 160 of the Act proposing the candidature of Mr. Baijal as Director of the Company. The Board has also appoint him as the Whole Time Director of the Company for a period of three years i.e from 11th February 2021 to 10th February 2024.

The terms of remuneration payable to Mr. Atul Baijal, Whole Time Director are set out below:

a) SALARY: Rs. 2,45,000/- per month.

b) Perquisites: In addition to the aforesaid salary the Whole Time Director shall be entitled to the following perquisites:

   i. House Rent Allowance of Rs.51,450 per month.

   ii. Conveyance Allowance of Rs. 18,375 per month.

   iii. Leave Travel Allowance of Rs. 8,796 per month.

   iv. Medical Allowance of Rs.2,450 per month.

   v. Company contribution to National Pension Scheme of Rs.24,500/- per month.

   vi. Bonus as per the Company rules.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules, perquisites will be evaluated at actual costs.

Notwithstanding anything to the contrary here in contained, where, in any financial year during the currency of the tenure of Mr. Atul Baijal as the Whole Time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Whole Time Director, the above Salary and perquisites, as Minimum Remuneration subject to the limits provided in Schedule V of the Companies Act, 2013.

c) The Whole Time Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

ii. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.

iii. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole Time Director shall be entitled to encash leave at the end of his tenure as Whole Time Director.

iv. Company will reimburse Actual Cost of repair to vehicle owned by Mr. Atul Baijal.

v. Company will Reimburse Actual cost of Fuel incurred by Mr. Atul Baijal.

vi. Company will reimburse Actual Driver Salary subject to Rs. 19,000 per month.

vii. All income tax and other impositions, if any, in respect of Mr. Atul Baijal's remuneration shall be calculated by the Company and deducted in accordance with the applicable provisions of the Income tax law for the time being in force.

Further following additional information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given below.:

I. General Information:

1) **Nature of Industry:** Manufacturing Industry – Plastics

2) **Date or expected date of Commencement of Commercial production:**
The Company has been in the business for many years

3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :**Not Applicable

4) **Financial performance based on given indicators:**

	2018-2019	**2019-2020**	**2020-2021**
Turnover	92,72,59,073	96,22,24,762	75,37,26,072
Net profit (as per profit & loss account)	3,38,90,306	3,38,84,780	23,54,418
Amount of Dividend paid	45,00,000	45,00,000	Nil
Rate of Dividend declared	15%	15%	0%

5) **Foreign investments or collaborations, if any :**
The Company has not entered into any foreign collaborations. The Company has not made any foreign investments.

II. Information about the appointee:

Mr. Atul Baijal, Whole Time Director

1) **Background details:**
Name: Mr. Atul Baijal
Designation: Whole Time Director
Father's name: Jai Kishandas Baijal
Nationality: Indian
Date of Birth: 06.08.1965
Qualifications: BSC, Post Graduate Diploma in Plastics Testing and Quality Control, Executive MBA

2) **Experience:** 35 years

3) **Past remuneration:** The gross remuneration paid to him as the Whole Time of the Company in the year 2020-2021 was Rs.6.54 lacs per annum.

4) **Recognition or awards :** Nil

5) **Job profile and his suitability:** The Whole Time Director shall be responsible for the whole operations of the Company and to do all acts and things under the supervision and guidance of Managing Director of the Company, which in the ordinary course of business, he considers necessary or proper or in the interest of the Company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.

6) **Remuneration proposed:** As mentioned above.

7) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :**
Taking into consideration the size of the Company, the profile of Mr. Atul Baijal, his Responsibilities and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

8) **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :**
Besides the remuneration proposed to be paid to him, Ms. Atul Baijal or any of his relatives do not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:

1) **Reasons of loss or Inadequate profits:**
Reduction in order position due to Covid 19 Pandemic, Inability to pass on the increased raw material prices to the Customers, hike in ocean freight of imports and exports.

2) **Steps taken or proposed to be taken for improvement:**
Cost Control, focus on high value added goods, adding new customers.

3) **Expected increase in productivity and profits in measurable terms etc:** Due to prevailing Covid 19 Pandemic, It is unable to predict the increase in productivity and Profits in measurable terms.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Corporate Governance Report under the heading details of Remuneration paid to Directors for the year ended 31st March, 2021.

The Board recommends Resolutions at Item No.4 & 5 as an Ordinary and Special Resolution respectively for approval of the members.

None of the Directors, KMPs, and their relatives except Mr. Atul Baijal are in any way concerned or interested, financially or otherwise in the above resolutions.

Item No. 6

As required under the provisions of Section 94 the Act, certain documents such as the Registers and Indexes of Members and Debenture holders and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

The abovementioned documents were maintained at the office of TSR Darashaw Consultants Private Limited, the Registrars and Share Transfer Agents (‘RTA’) of the Company situated at 6, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi (W), Mumbai – 400011 have now shifted their office to C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 40008. Approval of the Members is therefore sought by a Special Resolution for keeping the Registers and Indexes of Members, Debenture holders, Annual Returns and other documents at the Registered Office of the Company and/ or at the other places mentioned in the Resolution or such other place where the office of RTA is situated.

The time for inspection of documents, by shareholders or such persons as are entitled to such inspection, will be between 11.00 a.m. to 1.00 p.m. on any working day of TSRDCPL or by writing to the Company at Investor.relations@Ecoplastindia.com except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company.

The Board recommends the resolution as set out at Item No. 6 of the accompanying Notice for the approval by the Members of the Company by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested in the aforesaid Resolution set out at Item No. 6of the Notice.

Registered Office:
National Highway No. 8,
Water Works Cross Road,
Abrama, Valsad – 396002,
Gujarat
CIN: L25200GJ1981PLC004375
Tel: (02632) 226157
E-mail : Antony@ecoplastindia.com,
Website : www.ecoplastindia.com
Mumbai, 13th May 2021

By Order of the Board
For Ecoplast Limited

Antony Alapat
Company Secretary

Details of Directors and Manager being appointed/ re-appointed as required in terms of Clause 1.2.5 of Secretarial Standards – 2

Name of the Director	**Ms. Charulata Patel**	**Mr. Jaymin Desai**	**Mr. Atul Baijal**
Date of Birth	13 /07/1963	30/09/1960	06/08/1965
Qualification	MBBS	B.E (Chemical)	BSC, Post Graduate Diploma in Plastics Testing and Quality Control, Executive MBA
Experience	Over 25 years	Over 36 years	Over 35 years
Terms and Conditions of Appointment/ Re-appointment	Appointment as Non-Executive Director	Appointment as Managing Director of the Company, Detailed terms & Conditions has been disclosed in note 3 of the Annexure to the Notice	Appointment as Whole Time Director of the Company, Detailed terms & Conditions has been disclosed in note 3 of the Annexure to the Notice
Details of Remuneration/ Remuneration last drawn	Remuneration in Fy 2020-21 Sitting Fees: 2,10,000 Commission:1,56,378 Total: 3,66,378	Remuneration in Fy 2020-21 Rs. 54.66 Lakhs	Remuneration in Fy 2020-21 Rs. 6.54 Lakhs
Date of first appointment on the Board	08/11/2014	23/06/1990	11/02/2021
Shareholding in the Company	13.36 %	4.08%	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No Relations with other Directors, Manager or KMP of the Company.	No Relations with other Directors, Manager or KMP of the Company.	No Relations with other Directors, Manager or KMP of the Company.
Number of Meetings of the Board attended during the year	8	7	2
Other Directorships	1. Kunal Plastics Private Limited 2. Giridev Investment Private Limited	1. Gourock Plastics & Packaging Ltd 2. Life Style Industries Limited	Nil

		3. Total Packaging Limited	
Membership/Chairmanship of Committees of other Boards	nil	nil	nil

Ecoplast Ltd

(Rs.'000)

FINANCIAL HIGHLIGHTS		31-03-2021	31-03-2020	31-03-2019	31-03-2018	31-03-2017
OPERATION						
Sales (Net)		**753,726**	962,225	927,259	959,348	961,406
Other Income		**9,276**	13,481	10,812	16,144	10,352
Operating Profit [Before Depreciation)		**30,632**	73,438	59,983	65,179	50,522
Profit before tax		**3,327**	49,504	39,222	46,968	32,665
Profit after Tax (including prior period items)		**2,108**	32,326	31,198	30,084	21,191
Dividend and Corporate Tax thereon		**4,500**	**5,425**	5,425	4,333	-
Retained earnings		**(2,392)**	26,901	25,773	25,751	21,191
Earnings per Share (Rs..) [On Face Value of Rs.10/-]		**0.78**	11.29	11.30	9.91	7.69
ASSETS						
Gross Block		**458,534**	446,383	363,720	342,293	331,717
Net Block		**172,117**	187,010	125,758	123,869	126,635
Net Current Assets		**185,715**	162,557	136,793	110,484	94,904
Non Current Investments		**7,538**	6,817	21,166	23,025	22,923
Long Term Loans & Advances		**11,955**	10,779	28,295	42,653	36,966
Total Assets		**377,325**	367,163	312,012	300,031	281,429
NET WORTH						
Equity Capital		**30,000**	30,000	30,000	30,000	30,000
Reserves and Surplus		**287,379**	289,771	262,870	237,096	211,345
Net worth		**317,379**	319,771	292,870	267,096	241,345
Book value per share (Rs..) [On Face Value of Rs.10/-]		**105.79**	106.59	97.62	89.03	80.45
BORROWINGS						
Long Term		**46,127**	35,126	8,415	18,706	30,573
Short Term		**8,000**	76,795	72,589	74,117	98,267
		54,127	111,921	81,004	92,823	128,840
RATIOS						
Profit before tax to Sales and other Income	%	**0.44**	5.07	4.18	4.81	3.36
Profit before tax to Net Worth	%	**1.05**	15.48	13.39	17.58	13.53
Dividend to Equity Capital	%	**-**	15	15	15	12
Dividend to Net Worth [Yield]	%	**1**	2	2	2	-
Return on Capital Employed	%	**4**	20	21	26	26
Dividend cover	Times	**0.47**	5.96	5.75	6.94	-
Current Ratio	Ratio	**2.36:1**	1.93:1	1.81:1	1.61:1	1.45:1
Long Term Debt:Equity	Ratio	**0.15:1**	0.11:1	0.03:1	0.07:1	0.13:1

BOARD'S REPORT

To

The Members,

The Directors are pleased to present their Thirty-Ninth Annual Report and Audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL SUMMARY

(In Rs.)

	31-03-2021	31-03-2020
Net Sales	75,37,26,072	96,22,24,762
Other Income	92,76,000	1,34,81,145
Sales and Other Income	76,30,02,072	97,57,05,907
Operating Profit (before Depreciation and Tax)	3,06,31,694	7,34,38,115
Less : Depreciation	2,73,05,133	2,39,34,474
Profit before tax	33,26,561	4,95,03,641
Less :Provision for tax		
Current Tax	17,96,854	1,57,09,352
Deferred Tax Credit	-8,24,711	-90,491
Profit after Tax	23,54,418	3,38,84,780

2. Operations/State of Company's Affairs

During the year under review, sales value reduced by 22 % to Rs. 75,37,26,072 from Rs Rs.96,22,24,762/- in the previous year. The profit after tax reduced by 93% to Rs. 23,54,418/- from Rs. 3,38,84,780/- in the previous year.

The Company had closed its manufacturing plant and office with effect from March 24, 2020 following countrywide lockdown due to Covid- 19. The Company has gradually commenced operations from April 18, 2020 after obtaining necessary approvals. The Company's operations were impacted in the financial year 2020-21, due to scaling down/suspending production due to reduction in demand and supply chain constraints, drastic increase in Raw Material prices and 4 to 5 fold increase in ocean freight rates which could not be entirely passed on to the Customers because of time lag in implementing the price increase.

Due to ongoing COVID-19 pandemic, Mr. Jaymin B. Desai, Managing Director of the Company had voluntarily waived his right to receive remuneration for the period from 1st April 2020 to 30th September 2020, The Board of Directors would like to place on record its deep appreciation towards Mr. Jaymin B. Desai, Managing Director for the kind gesture shown towards the Company and its stakeholders in these testing times.

Currently major part of Company's contribution is derived from supplying Surface Protection Films which is mainly dependent upon the real estate and construction industry, which was badly affected due to the migrant issue coupled with the ability of buyers to pay in time. With each corona wave, there was a severe impact on our orders thereby affecting our operations and limping back to normal took almost a period of six months. Further, the efforts to enter in to new customers/markets also took a beating, as our potential customers were themselves busy in normalising their businesses and in this process, addition of a new customer took a back seat.

The company is working on increasing sales by expanding its customers base with special focus on increasing sales of specialty products. In view of the currently prevailing second wave of Covid 19 in India, the management is unable to predict performance for the FY 2021-22.

However, the management is continuously working out ways to negate/reduce the effect of Covid 19 on its operations.

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 future during the year under review.

3. MEASURES AGAINST COVID 19 PANDEMIC

The Company has taken following measures to prevent Covid infection.

- Free vaccination camps for Employees above the age of 45 years at the Factory.
- Ensuring social distance & Mandating the usage of Masks at the workplace.
- Thermal Scanning & hand sanitising of every person visiting the Factory.
- Periodic Sanitisation of entire facility

4. DIVIDEND

For conserving financial resources of the Company, the Board of Directors do not recommend any dividend for the year.

5. BOARD MEETINGS:

The Board of Directors met Eight times during the Financial Year 2020-21.

6. DIRECTORS AND KEY MANANGERIAL PERSONNEL:

Mr. Jehangir Moos (DIN: 00020609) resigned from the Board with effect from the conclusion of the Board Meeting held on 11th August 2021, The Board places on record the sincere appreciation for the assistance and guidance provided by Mr. Jehangir A. Moos (DIN: 00020609) during his tenure as Director of the Company

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

The members at the 36th Annual General Meeting held on 14th September 2018 had approved the appointment of Mr. Jaymin Desai (holding DIN 00156221), as Managing Director of the Company for a period of 3 years from 1st October, 2018 to 30th September, 2021. The Board proposes to re-appoint him as the Managing Director for a further period of 3 years i.e from 1st October, 2021 to 30th September, 2024 at the ensuing Annual General Meeting.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at its Meeting held on 11th February 2021 had appointed Mr. Atul Baijal (holding DIN 09046341), as the additional Whole Time Director of the Company. He will hold the office till the conclusion of this ensuing Annual General Meeting. The Board proposes to appoint him as the Director and Whole Time Director of the Company for a period of 3 years i.e from 11th February 2021 to 10th February 2024 at the ensuing Annual General Meeting.

7. 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 that they meet the criteria of Independence laid down in Section 149(6) of the Act 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.

8. 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 and can be accessed by web link http://www.ecoplastindia.com/familiarization-programme-of-independent-directors.html.

9. 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

10. 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, senior management are placed on the website of the Company weblink < http://www.ecoplastindia.com/ Remuneration Policy for directors and senior management.html>

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

11. 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 https://www.ecoplastindia.com/wp-content/uploads/2020/10/Whistle-blower-policy-F-Final-to-be-adopted-29-09-2014.pdf

12. 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 and loss 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.

13. 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.

14. 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 accounts in respect of the subsidiary are available on the website of the Company.

15. ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed there under, the annual return for FY 2020-21 is uploaded on the website of the Company. The same is available on https://www.ecoplastindia.com/investors/

16. 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 appointed as Statutory Auditors of the Company for a period of five years from the conclusion of the Thirty Fifth AGM to the conclusion of the Fortieth AGM to be held in 2022, subject to ratification by shareholders at each AGM. However, in terms of the Notification issued by the Ministry of Corporate Affairs dated May 7, 2018, the proviso requiring ratification of the Auditors appointment by the shareholders at each AGM has been omitted. Accordingly, the ratification of appointment of Statutory Auditors would not be required at the AGM and M/s. Y.B. Desai & Associates, Chartered Accountants, Surat, (ICAI Registration No. 102368W) would continue to act as the statutory auditors of the Company for five years up to the conclusion of the Fortieth AGM to be held in 2022.

17. 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 2020-21.

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

18. AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

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

19. 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.

20. 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.

21. DEPOSITS:

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

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

As on 31st March 2021 the Company has made the following Investments under section 186 of the Companies Act, 2013.

Investments; Rs. 75,37,914 /- for 11,95,360 Equity Shares of Rs.10 each fully paid up in Synergy Films Private Limited Wholly Owned Subsidiary.

23. 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.

24. CORPORATE SOCIAL RESPONSIBILTY POLICY:

To fulfil its CSR Obligations, The Company has spent an amount of Rs.10,00,000/- 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. This NGO has been running the special school for the mentally challenged children/adult under the name & 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.

25. 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.

26. 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.

27. 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.

28. 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 2019-20.

29. LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2021-2022 to BSE where the Company's Shares are listed.

30. 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 http://www.ecoplastindia.com/code-of-practices-and-procedures.html

31. CORPORATE GOVERNANCE:

As per Listing Regulations, a separate section on Corporate Governance forms part of this report. A Certificate from M/s 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.

32. 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, 2018, the Management's discussion and analysis is set out in this Annual Report.

33. 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.

34. 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

Mukul B. Desai
CHAIRMAN

Mumbai, 13th May 2021

DIN:00015126

ANNEXURE –I

Salient features of the Financial Statement of the Subsidiary Company

				As at 31 March, 2021	As at 31 March, 2020
1)	Name of Subsidiary Company	:	Synergy Films Private Limited		
2)	Reporting Currency	:	INR		
3)	Capital	:	Rs.	1,19,53,600	1,19,53,600
4)	Reserves	:	Rs.	- 44,15,683	-47,30,543
5)	Total Assets	:	Rs.	77,80,875	99,35,701
6)	Total Liabilities	:	Rs.	77,80,875	99,35,701
7)	Investments	:	Rs.	-	-
8)	Turnover	:	Rs.	47,92,107	2,70,70,347
9)	Profit Before Tax	:	Rs.	4,26,982	11,49,265
10)	Provision for Taxation	:	Rs.	Nil	3,20,403
11)	Profit After Tax	:	Rs.	4,26,982	8,28,863
12)	Proposed Dividend	:	Rs.	Nil	Nil
13)	Country	:	INDIA		

ANNEXURE –II

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

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

To,
The Members,
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, the information to the extent 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 The 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 31st March, 2021, 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 31st March, 2021 according to the applicable 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) Regulations, 2014; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (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 applicable specifically 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 Agreement entered into by the Company with BSE Limited("BSE") read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We report that during the year the Company has received a Notice from BSE Limited for levy of fine of Rs. 3,00,900/- for non-compliance with the requirements pertaining to the composition of the Board under Regulation 17(1) of SEBI LODR for quarter ended December 31, 2020. The Company has made a representation to BSE for waiver of said fine. The Company has paid a penalty of Rs. 4,720/- to BSE Limited for late submission of Annual Report.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings 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 etc.

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

For Parikh & Associates

Company Secretaries

Place: Mumbai

Date: May 13, 2021

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331C000288151

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.

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. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. The Compliance of the provisions of 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 13, 2021

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331C000288151

ANNEXURE –III

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

A. CONSERVATION OF ENERGY

i. Steps taken / impact on conservation of energy ii. Steps taken by the company for utilizing alternate sources of energy including waste generated: iii. Capital investment on energy conservation equipment:	**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.**

B. TECHNOLOGY ABSORPTION

i. Efforts, in brief, made towards technology absorption ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.:	**The Company continues to use latest technologies for improving the productivity & quality of its products.**

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:

a) Details of technology imported.: **The Company has not imported any technology**

b) Year of import.: **Not Applicable**

c) Whether the technology been fully absorbed: **Not Applicable**

d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.: **Not Applicable**

i. Expenditure incurred on Research and Development

(in Rs. 000's)

	31.03.21	**31.03.20**
a) Capital Expenditure	---	---
b) Recurring Expenditure	38,95,759	35,00,721
c) Total Expenditure	38,95,759	35,00,721
d) Total R & D Expenditure as a percentage of total turnover.	0.52	0.36

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

			31.03.2021
a)	Foreign Exchange Earnings	:	Rs. 12,42,33,143
b)	Foreign Exchange Outgo	:	Rs. 21,40,51,210

ANNEXURE –IV

Annual Report on CSR Activities to be included in the Board's Report

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 get opportunity of financial growth and opportunity to live in Clean, Green and Eco friendly Environment.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mukul B. Desai	Chairman/ Independent Director	2	2
2	Mr. Dhananjay T. Desai	Member/ Independent Director	2	2
3	Mr. Jaymin B. Desai	Member/ Managing Director	2	2

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.:** https://www.ecoplastindia.com/investors/

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). :**Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2018-19	0	0
2	2019-20	0	0
3	2020-21	0	0
	Total	0	0

6. **Average net profit of the company as per section 135(5).:** Rs. 4,93,57,254/-
7. **(a)Two percent of average net profit of the company as per section 135(5):** Rs.9,87,145/-

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil

   (c) Amount required to be set off for the financial year: Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs.9,87,145/-
8. **(a) 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 section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs.10,00,000/-	nil	N.A	N.A	nil	N.A

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Nil**

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in Rs.).**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number.**
1.	Rehabilitation of Children/Adult with diverse disabilities through Jaina Anupam N Parmar Charitable Trust	(ii)	Yes	Gujarat	Valsad	Rs.10,00,000	Yes	N.A	N.A
	TOTAL					Rs.10,00,000			

(d) **Amount spent in Administrative Overheads**: Nil

(e) **Amount spent on Impact Assessment, if applicable** : Nil

(f) **Total amount spent for the Financial Year :** Rs.10,00,000/-
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs.9,87,145/-
(ii)	Total amount spent for the Financial Year	Rs.10,00,00/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs.12,855/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs.12,855/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: **N.A**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR	Amount spent in the reporting	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in

		Account under section 135 (6) (in Rs.)	Financial Year (in Rs.).	Name of the Fund	Amount (in Rs).	Date of transfer.	succeeding financial years. (in Rs.)
1.							
2.							
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **N.A**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in Rs.).**	**Amount spent on the project in the reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project - Completed /Ongoing.**
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :**N.A**

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **N.A**

(Jaymin B. Desai)
Managing Director

(Mukul B. Desai)
Chairman of CSR Commitee

Mumbai, 13th May 2021

ANNEXURE –V

FORM NO. AOC 2

Related Party Transactions disclosure

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

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2018)

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

Mukul B. Desai
CHAIRMAN
DIN:00015126

Mumbai, 13th May 2021

ANNEXURE –VI

PARTICULARS OF EMPLOYEES

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	21.00
ii.	Atul Baijal	2.52
iii.	Charulata N. Patel	1.03
iv.	Dhananjay T. Desai	-
v.	Mukul B. Desai	1.76
vi.	Bhupendra M. Desai	1.68

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	-48.17%
ii.	Atul Baijal	N.A
iii.	Charulata N. Patel	123.25%
iv.	Dhananjay T. Desai	0.00%
v.	Mukul B. Desai	79.60%
vi.	Bhupendra M. Desai	71.73%
vii.	Mahadev D.Desai-CFO	-3.88%
viii.	Antony P.Alapat-CS	7.54%

Note: a- Mr. Atul Baijal, Whole Time Director has joined the Company on 11th February 2021 so the previous year comparative data are not available.

b-Mr. Dhananjay T. Desai, Director had waived his right to receive any kind of remuneration, as precondition for his appointment as the member of Board of Director and its Committees.

3. The percentage increase in the median remuneration of employees in the financial year; (1.10%)

4. the number of permanent employees on the rolls of company; **143**

5. the explanation on the relationship between average increase in remuneration and company performance:

The Company's Average Remuneration has increased by 19.66 % as compared to previous financial year and Companies profit after tax has reduced by 93%. Considering that 2020-21 being unsual year due to impact of Covid 19 Pandemic and for future plans & for retaining talent, the average increase in remuneration is justified.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Total Remuneration of KMP	1,02,11,324
Turnover	753726071.6
Remuneration of KMP as of Turnover	1.35%

7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:

	Market Capitalisation	**Price Earnings Ratio**	**change in market quotations of the shares as Compared to last Public offer**
Closing date of the previous Financial year	Rs.27.30 Crores	8.06	+227.50%
Closing date of the current Financial year	Rs.22.54 Crores	96.34	+187.88%

8. 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	25%
Average Increase in Managerial Remuneration	-41.97 %

9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

	Mr. Jaymin Desai Managing Director	Mr. Atul Baijal Whole Time Director	Mr. Mahadev Desai CFO	Mr. Antony Alapat Company Secretary
Remuneration	54,66,796	6,54,277	31,81,326	908,925
Turnover		75,37,26,072		
Remuneration as % of Turnover	0.73%	0.09%	0.42%	0.12%

10. The key parameters for any variable component of remuneration availed by the directors:

The Non Executive Directors of the Company are entitled to 1 % commission on the Net Profits of the Company calculated as per section 198 of the Companies Act 2013.

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

The Company doesn't have any employee who is receiving remuneration in excess of highest paid director.

12. 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 & Employees as per the remuneration policy of the Company.

13. Statement showing details of employees of the company who is drawing remuneration more than Rs.60, Lakhs Per Annum or Rs.5 Lakhs per Month.

(i) Name of the employee: **Mr. Jaymin B. Desai**

(ii) designation of the employee; **Managing Director**

(iii) remuneration received; Rs. 54,66,796/-

(iv) nature of employment, whether contractual or otherwise; **Contractual**

(v) qualifications ; **B.E (Chemical)**

(vi) experience of the employee; **Over 35 years**

(vii) date of commencement of employment;**1985**

(viii) the age of such employee; **60 years**

(ix) the last employment held by such employee before joining the company; **Not Applicable**

(x) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; **30.16%**

(xi) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager: **No**

Management Discussion and Analysis

Ecoplast Ltd 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 Company has had a major role in the development of the flexible packaging industry in India ; this industry uses multi layer 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

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Global economic overview

According to the World Economic Outlook by the International Monetary Fund (IMF) published on April, 2021, Global prospects remain highly uncertain one year into the COVID-19 pandemic pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

Global growth is projected at 6 percent in 2021, moderating to 4.4 percent in 2022. The projections for 2021 and 2022 are stronger than in the October 2020 WEO. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility. High uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization, and the evolution of financial conditions.

Indian economy

According to Crisil report published in April 2021,Fiscal Year 2021 has been a challenging year for the Indian economy, which was already experiencing a slowdown before the pandemic. Though there has been some pick-up in recent months, recovery is weak and uneven. The county's gross domestic product (GDP) is expected to contract 8% by end-fiscal. At the same time, monetary policy has begun normalizing and some tightness in domestic financial conditions is inevitable.

Against this backdrop, policy support remains critical, apart from action in the external environment. This fiscal, policy response to the pandemic has been more on damage control and providing support to the economy. In fiscal 2022, though, the government is expected to normalize some of the extraordinary or unconventional policy moves, while trying to ensure smooth revival in growth. Some of its biggest challenges ahead will be: broad-basing growth to services and labor-intensive manufacturing sectors and ensuring financial conditions stay supportive.

CRISIL forecasts India's GDP growth to rebound to 11% in fiscal 2022. In reality, though the economy will end up only 2% above the fiscal 2020 level, it will be a sharp 10% lower than its trend level. Fiscal 2022 is also seen emerging as a story of two halves. The first half will be characterized by a base-effect-driven recovery amid the challenge associated with the resurgence in Covid-19 infections. But the second half should see a more broad-based growth, as vaccine rollout and herd immunity support sectors that are lagging. These include most of the services sectors, especially contact-based travel, tourism and entertainment. Also, stronger global growth should be supportive for India's exports, to some extent.

Industry overview

Global flexible packaging market

The global flexible plastic packaging market size is projected to grow from USD 160.8 billion in 2020 to USD 200.5 billion by 2025, at a CAGR of 4.5% from 2020 to 2025. The flexible plastic packaging market is expected to witness significant growth in the future due to its increased demand in end-use industries, such as food, beverage, cosmetic & personal care, and pharmaceutical. Growth in modern retailing, high consumer income, and acceleration in e-commerce activities, especially in the emerging economies, are likely to support the growth of the flexible plastic packaging market during the forecast period.

Industrial Application of Plastics

Post COVID 19, 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

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 biopolyproplyene, along with the price and disposal of bioplastics, which will need to be examined to ensure successful usage.

Governments all over the world are encouraging the use of sustainable packaging in order to minimize waste. In 2018, the UK strode forward to become the world leader in sustainable packaging. With an investment of USD 80 million (£60 million), the government called on innovators to develop packaging, which will reduce the impact that the harmful plastics are having on the environment. The Packaging and Packaging Waste Directive has been established in Europe, which has two main objectives: to help prevent obstacles to trade and reduce the impact of packaging waste on the environment. According to this directive, the EU States shall ensure that the recovery and recycling of packaging are made effectively and that the use of hazardous constituents in packaging is kept to a minimal level.

The packaging industry is a very dynamic industry that influences a lot of other industries as well. So, the industry which was once placed at $32 billion could get a compound growth of around 15% within the last 5 years.And the rate is expected to increase by more than 13%-15%. In fact, India's packaging industry is the world's fifth-largest industry in the entire world.

Opportunity

- **Significant increase in the food products during COVID-19 pandemic**
  By application, the food segment is projected to be the largest segment in the flexible plastic packaging market. People are resorting to panic-buying and bulk stocking due to the fear of lockdowns. More people are ordering daily staples, FMCG, and fresh food through e-commerce & 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.

- **Glueless Films**
  The Company has introduced Glueless 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 & 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.

Operational Performance Review

During the year under review, sales value reduced by 22 % to Rs. 75,37,26,072 from Rs Rs.96,22,24,762/- in the previous year. The profit after tax reduced by 93% to Rs. 23,54,418/- from Rs. 3,38,84,780/- in the previous year.

The Company had closed its manufacturing plant and office with effect from March 24, 2020 following countrywide lockdown due to Covid- 19. The Company has gradually commenced operations from April 18, 2020 after obtaining necessary approvals. The Company's operations were impacted in the financial year 2020-21, due to scaling down/suspending production due to reduction in demand and supply chain constraints, drastic increase in Raw Material prices and 4 to 5 fold increase in ocean freight rates which could not be entirely passed on to the Customers because of time lag in implementing the price increase.

Due to ongoing COVID-19 pandemic, Mr. Jaymin B. Desai, Managing Director of the Company has voluntarily waiving his right to receive remuneration for the period from 1st April 2020 to 30th September 2020, The Board of Directors would like to place on record its deep appreciation towards Mr. Jaymin B. Desai, Managing Director for the kind gesture shown towards stakeholders of the Company in these testing times.

Currently major part of Company’s contribution is derived from supplying Surface Protection Films which is mainly dependent upon the real estate and construction industry, which was badly effected due to the migrant issue coupled with the ability of buyers to pay in time. with each corona wave, there is a severe impact on our orders thereby affecting our operations and limping back to normal takes almost a period of six months. Further, the efforts to enter in to new customers/markets also takes a beating, as our potential customers are themselves busy in normalising their businesses and in this process, addition of a new customer takes a back seat.

The company is working on increasing sales by expanding its customers base with special focus on increasing sales of specialty products. In view of the currently prevailing second wave of Covid 19 in India, the management is unable to predict performance for the FY 2021-22.
However, the management is continuously working out ways to negate/reduce the effect of Covid 19 on its operations.

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

	31.03.2020	31.03.2021	Change
Debtors Turnover Ratio	6.00	4.95	-18%
Inventory Turnover Ratio	8.79	6.65	-24%
Interest Coverage Ratio	9.37	3.71	-60%
Current Ratio	1.92	2.36	23%
Long Term Debt Equity Ratio	0.11	0.15	36%
Operating Profit Margin Ratio	4.03	-0.73	-118%
Net Profit Margin Ratio	3.36	0.28	-92%
Return on Net worth	11.04	0.66	-94%

- Interest Coverage Ratio has reduced because of major increase in the Interest cost and reduction in PBDIT as compared to previous year.

- Long Term Debt Equity Ratio has increased because of fresh borrowing of long term loans and vis a vis less increase in Net worth of the Company.

- Operating Profit Margin Ratio has reduced because of less operating Profits caused by Covid 19 Pandemic.

- Net Profit Margin Ratio has reduced because of less Net Profits caused by Covid 19 Pandemic.

Details of change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:
There has been huge decrease in return on net worth from 11.04% for the FY19- 20 to 0.66% for the FY20-21 because the net profit after tax has reduced due to Covid 19 Pandemic.

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 creditworthiness of customers to which the Company grants credit terms in the normal course of business. **However post COVID 19 situation company expects increase in credit risk.**

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. **However in changed business scenario post COVID 19 liquidity position has become very critical. Company expects the payments getting abnormally delayed, which can result in liquidity issues for the company and pressure on working capital management.**

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 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.

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. 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

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 teamwork improved employee productivity at all levels. The Company has 140 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 & on behalf of the Board

Mukul B. Desai
(Chairman)

Place : Mumbai
Dated : 13th May, 2021

CORPORATE GOVERNANCE REPORT

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, 2021.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a prerequisite 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. This belief s 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,2021 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, Non- Executive and Independent Directors.

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, 2021 are given as follows:

During the financial year 2020-21, 8 (Eight) Meetings were held on 09.06.2020, 29.06.2020,11.08.2020, 30.09.2020, 19.10.2020, 11.11.2020, 11.02.2021 and 26.03.2021 and details are given below and the maximum gap between two meetings did not exceed one hundred and twenty days:

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 (00015126)	NED(I)	8	2	Yes	Nil	Nil
Mr. Jaymin B. Desai Managing Director (00156221)	MD(P)	7	2	Yes	Nil	Nil
Mr. Jehangir A. Moos (00020609)*	NED(I)	3	1	N.A	Nil	Nil
Mr. Dhananjay T. Desai (00049574)	NED(I)	8	5	Yes	Nil	Nil
Mr. Bhupendra M .Desai (02545003)	NED(I)	8	0	Yes	Nil	Nil
Mrs. Charulata N. Patel (00233935)	NED(P)	8	2	Yes	Nil	Nil
Mr. Atul Baijal**	WTD	2	0	N.A	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.

* Ceased to be Director with effect from 11th August, 2020.

** Appointed as Additional Whole-time Director with effect from 11th February, 2021.

As on 31st March 2021, none of the Directors are related inter-se.

As on 31st March 2021, none of the Directors holds any Directorship in any Listed Company.

Details of Shares held By Non-Executive Directors as on 31st March 2021

Name	No. of Shares
Mr. Mukul B. Desai	9,650
Mr. Jehangir A. Moos	500
Mr. Dhananjay T. Desai	0
Mr. Bhupendra M .Desai	100
Mrs. Charulata N. Patel	400752

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 http://www.ecoplastindia.com/code.html

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.

Profile of members of the Board of Directors being Appointed & Re-appointed:

i. **Mr. Jaymin B Desai, Managing Director** aged 60 is a graduate Chemical Engineer from Karnataka University. He joined the company as a works manager in 1985, and soon after was promoted as Director for his commendable efforts and achievements in not only improving productivity, but, for his leadership in developing personnel and a dedicated work culture. He was then promoted as Managing Director of the company in Oct' 2007.

ii. **Mr.Atul Baijal, Whole Time Director** aged 55 Joined Ecoplast Limited in Feb' 2019. He is a Plastic Technologist from CIPET and has pursued XMBA from ITM, with thirty five years of rich experience spanning right from Quality control, Quality Assurance, Technical Services, Technical Development, Operations, Sales and Global procurement the Indian Flexible Packaging Industry.

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 http://www.ecoplastindia.com/familiarization-programme-of-independent-directors.html

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:

i) 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,

ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders,

iii) Strategic thinking and decision making,

iv) Financial Skills,

v) 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. Jehangir A. Moos, Independent 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

D) CSR 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, 2021, are given below.

Meetings, Members and Attendance

During the financial year 2019-20 the Audit Committee held 6 (Six) meetings on 9th June 2020, 29th June 2020, 11th August 2020,11th November 2020, 11th February 2021 and 26th March 2021

The time gap between any two meetings was less than four months. 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	6	6
Mr. Jehangir A. Moos	NED(I)	Member	3*	3
Mr. Bhupendra M. Desai	NED(I)	Member	6	6
Mrs. Charulata Patel	NED(P)	Member	3**	3

* Ceased to be Director on 11th August, 2020

**Appointed as members of the Committee on 30th September 2020

The Board has designated Mr. Antony Alapat, 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 5th September 2020 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, interalia 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 interalia 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:

As on 31st March, 2021 the Nomination & 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 Commitee Members are as under:

Name of Member	Category	Status	No. of Meeting	
			Held	**Attended**
Mr. Jehangir A. Moos	NED(I)	Chairman	1*	1
Mr. Mukul B. Desai	NED(I)	Member	3	3
Mr. Bhupendra M. Desai	NED(I)	Member/Chairman	3	3
Mrs. Charulata Patel	NED(P)	Member	2**	2

* Ceased to be Director on 11th August, 2020

**Appointed as members of the Committee on 30th September 2020________________

Mr.Jehangir A.Moss during the beginning of the financial year was the Chairman of the Commitee, he subsequently resigned from the Board on 11th August 2021 and Mr.Bhupendra Desai was designed as the Chariman of the Committee.

The Board has designated Mr. Antony Alapat, Company Secretary to act as Secretary to the Committee.

Terms of reference:

The terms of reference to this committee, interalia 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:

i. 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;

ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

iii. Devising a policy on diversity of Board of Directors;

iv. 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.

v. 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 and Board as a whole.

Policy for Remuneration to Director/ Key Managerial Personnel

The Remuneration Policy for directors and senior management are placed on the website of the Company weblink http://www.ecoplastindia.com/ Remuneration Policy for directors and senior management.html

Details of Remuneration paid to the Directors for the FY 2020-21

I. Remuneration to MD/WTD

SI. no.	Particulars of Remuneration	Managing Director	Whole Time Director
		Jaymin Desai	Atul Baijal
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 48,44,067 6,22,729 Nil	 6,54,277 Nil Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission -as of Profit	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	54,66,796	6,54,277

II. Remuneration to other directors:

SI. no.	Particulars of Remuneration	Name of Directors

		Mukul Desai	Jehangir Moos	Bhupendra Desai	Charulata Patel
	• Fee for attending board committee meetings • Commission • Others, please specify	3,00,000 1,56,378	1,10,000 1,56,378	2,80,000 1,56,378	2,10,000 1,56,378
	Total (1)	4,56,378	2,66,378	4,36,378	3,66,378

C. STAKEHOLDER RELATIONSHIP COMMITTEE:

Meetings, Members and Attendance

During the Financial Year 2020-21 the Committee held 1 (one) meeting on 29th June 2020.

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. Jehangir A. Moos	NED(I)	Member	1*	1
Mr.Jaymin B. Desai	MD(P)	Member	1	1
Mr. Bhupendra M. Desai	NED(I)	Member	1	1

*Resigned as Director with effect from 11th August, 2020

The Board has designated Mr. Antony Alapat, Company Secretary to act as Secretary to the Committee.

Complaints received and redressed by the Company during the financial year 2020--21.

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 11th February, 2021 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
2019-20	Through Audio Visual Means	5th September 2020 at 11.00 AM	i. Re-appointment of Mr. Dhananjay T. Desai(holding DIN 00049574) as an Independent Director of the Company September 12, 2020 to September 11, 2025.
2018-19	The Club Resort, At & P.O.Vashier, Valsad - 396 001	6th September 2019 at 12.00 noon	i. Re-appointment of Mr. Mukul B. Desai as an Independent Director of the Company for a period of five consecutive years with effect from September 20, 2019 to September 19, 2024. ii. Re-appointment of Mr. Bhupendra M. Desai as an Independent Director of the Company for a period of five consecutive years with effect from September 20, 2019 to September 19, 2024. iii. Re-appointment of Mr. Jehangir A. Moos as an Independent Director of the Company for a period of five consecutive years with effect from September 20, 2019 to September 19, 2024.
2017-18	The Club Resort, At & P.O.Vashier, Valsad - 396 001	14th September 2018 at 12.00 noon	i. Re-appointment of Mr. Jaymin Desai (DIN 00156221) as Managing Director of the Company for a period of three years with effect from 1st October,2019 to 30th September 2021. ii. To approve the continual of the Directorship of Mr. Dhananjay T. Desai (holding DIN:00049574) who has attained the age of seventy five year till his original tenure up to September 11, 2020. iii. To approve the continual of the Directorship of Mr. Jehangir A. Moos (holding DIN:00020609) who will attain the age of seventy five years till his original tenure up to September 19, 2019

- The Company has not conducted Postal Ballot during the financial year 2020-21.

F. MEANS OF COMMUNICATION

i. WEBSITE: The Company's website http://www.ecoplastindia.com/Investor/ contains a separate section "Investor" for use of investors. The Quarterly, half yearly and Annual Financial Results are promptly 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 (Corporate Compliance and Listing Centre) 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, 28th August 2021, 11:00 AM IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
Financial Year	1st April,2020 – 31st March, 2021
Date of Book Closure	Saturday 21st August 2021 to Saturday 28th August 2021
Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 526703)
International Securities Identification Number (ISIN)	INE423D01010
CIN	L25200GJ1981PLC004375

Note: The Annual Listing Fees for the year 2021-22 has been paid to BSE.

H. STOCK MARKET DATA:

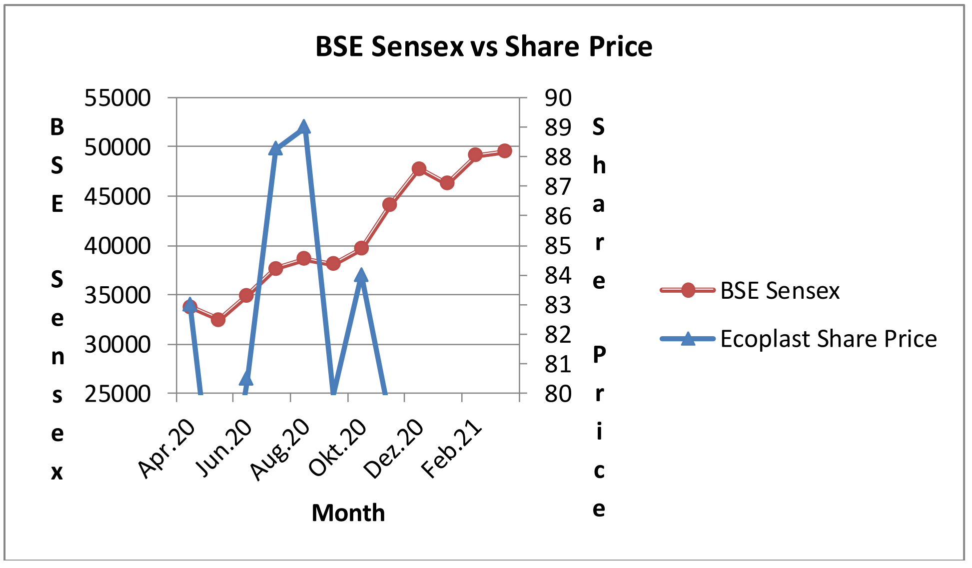
Share Prices (High/Low) and number of shares traded during each month in the last Financial Year:

Month	High Price	Low Price	No.of Shares Traded
Apr-20	88	73	2308
May-	90.25	73.35	1841
Jun-20	87.3	69	12151

Jul-20	96.15	75	21482
Aug-20	100	82	42284
Sep-20	92.8	78.65	41312
Oct-20	93.5	77	10301
Nov-20	91.9	74	9471
Dec-20	84	71.1	16868
Jan-21	84.75	72	13635
Feb-21	85.8	70.95	9979
Mar-21	77.8	66	22938

I. STOCK PERFORMANCE:

The market share price data in comparison to BSE Sensex



J. REGISTRARS AND SHARE TRANSER AGENT FOR SHARES:

M/s TSR Darashaw Consultants Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shashtri Marg, Vikhroli (W), Mumbai – 4000 083, Tel: (022) 66568484, email id: csg-unit@tsrdarshaw.com are acting as Registrar & Transfer Agents (RTA) for handling the shares related matters both in Physical & 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.

a. Branches of TSRDCPL:

- TSR Darashaw Consultants Private Limited
  C/o. Mr. D. Nagendra Rao
- TSR Darashaw Consultants Private Limited
  C/o Link Intime India Private

"Vaghdevi" 543/A, 7th Main
3rd Cross, Hanumanthnagar
Bengaluru 560 019
Telephone: +91 80 26509004
Email: tsrdlbang@tcplindia.co.in

Limited
Vaishno Chamber
Flat No. 502 & 503, 5th Floor
6, Brabourne Road
Kolkata 700 001
Telephone: +91 33 40081986
Email: tsrdlcal@tcplindia.co.in

- TSR Darashaw Consultants Private Limited
  C/o Link Intime India Private Limited
  Noble Heights, 1st Floor
  Plot No NH-2, C-1 Block, LSC
  Near Savitri Market, Janakpuri
  New Delhi 110 058
  Telephone: +91 11 49411030
  Email: tsrdldel@tcplindia.co.in

- TSR Darashaw Consultants Private Limited
  Bungalow No. 1, 'E' Road
  Northern Town Bistupur
  Jamshedpur 831 001
  Telephone: +91 657 2426937
  Email: tsrdljsr@tcplindia.co.in

- TSR Darashaw Consultants Private Limited
  C/o Link India Intime Private Limited
  Amarnath Business Centre-1 (ABC-1)
  Beside Gala Business Centre
  Nr. St. Xavier's College Corner
  Off. C.G. Road, Ellisbridge
  Ahmedabad 380 006
  Telephone: +91 79 26465179
  Email : csg-unit@tcplindia.co.in

K. SHARE TRANSFER SYSTEM:

In terms of Regulation 40 (1) of the Listing Regulations as amended, Securities can be transferred only in demarterialised form 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 dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

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 dematerialised form (held with NSDL and CDSL).

M. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021:

Range Start	Range End	Total Shares	Percentage to capital	Total Number of shareholders	% of Total Security holders
1	500	2,31,602	7.72	1,820	89.04
501	1,000	74,886	2.50	90	4.40
1,001	2,000	82,651	2.76	52	2.54
2,001	3,000	54,212	1.81	21	1.03
3,001	4,000	47,118	1.57	13	0.64
4,001	5,000	31,984	1.07	7	0.34
5,001	10,000	85,177	2.84	12	0.59
10,001	9,99,99,99,999	23,92,370	79.75	29	1.42
		30,00,000	100.00	2,044	100.00

N. CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2021:

Sr No	Particulars	No of Accounts	Holding	% to capital
1	Companies Acting in Concert -Promoter Companies	2	5,13,267	17.11
2	Persons Acting in Concert - Individual Promoters	20	14,91,553	49.72
3	Indian Financial Institution	0	0	0.00
4	State Govt	0	0	0.00
5	Alternative Investment Fund	0	0	0.00
6	Nationalised Bank	0	0	0.00
7	Mutual Fund	0	0	0.00
8	Foreign Institutional Investors / Foreign Co / Foreign Bodies	0	0	0.00
9	GDS Depositories	0	0	0.00
10	Other Companies (CL, BC, LLP)	33	36852	1.23
11	IEPF suspense Account	1	45,873	1.53
12	Individuals & Others (RI, HUF,NRI,IND. DIRE)	1988	912455	30.42
		2,044	**30,00,000**	**100.00**

O. DEMATERIALISATION OF SHARES:

The Company's Equity Shares are held in dematerialised form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL) under ISIN No. INE423D01010. As on 31st March, 2021, 97.62% of the total shares of the Company have been dematerialised.

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 March 31, 2021, 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-396001,Gujarat

Q. ADDRESS FOR CORRESPONDENCE

Registered Office	:	National Highway No. 8, Water Works Cross Road, Abrama – Valsad,Valsad-396001,Gujarat
Tel. No.	:	02632- 226157
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 & inventory strategy

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

T. The Company has not obtained any credit rating on Debt Instruments or Fixed Deposit Programme in FY 2020-21 Since it does not have any Debt Instruments or Fixed Deposit Programme.

U. **Preferential Allotment or Qualified Institutions placement:**
The Company has not made any preferential allotment or qualified institutions placement during the financial year 2020-21.

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. except that the Company has paid a penalty of Rs. 4,720/- to BSE Limited for late submission of Annual Report.

ii. Compliance with Accounting Standards:
In preparation of the Financial Statements, the Company has followed the Accounting standards applicable to the Company.

iii. CEO/ 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.

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 http://www.ecoplastindia.com/pdf/policies/28-Related-Party-Transaction-Policy.pdf

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 http://www.ecoplastindia.com/whistle-blower-policy.html

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 http://www.ecoplastindia.com/pdf/policies/27-Policy-for-Determing-

Material-Subsidiary.pdf

ix. Commodity Price Risks and Commodity hedging activities:

a. Total exposure of the listed entity to commodities in INR: 58,18,30,258/-

b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR toward the particular commodity	Exposure in Quantity(in Kgs) terms toward the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Poly Ethylene	46,29,13,639	47,54,957	0%	0%	0%	0%	0%

x. A certificate from M/s 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.

xi. Auditor's Fees:

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

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payments to the auditors comprises		
(a) To statutory auditors		
Audit Fees	400,000	400,000
Taxation Matters	-	-
Company Law Matters	-	-
Tax Audit Fees	80,000	80,000
Certification and Other Services	142,500	150,000
Reimburesment of Expenses	52,819	110,811
Total	675,319	740,811

xii. 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 2020-21.
a. number of complaints filed during the financial year -**Nil**
b. number of complaints disposed of during the financial year -**Nil**
c. number of complaints pending as on end of the financial year -**Nil**
the Company has not received any complaints on sexual harassment.

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,2021 are in compliance with the requirements of Corporate Governance under Listing Regulations.

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, 2021 does not contain any modified Audit opinion.

- **Reporting of Internal Auditor:**

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

For & on behalf of the Board

Mukul B. Desai
(Chairman)

Place : Mumbai
Dated : 13th May, 2021

COMPLIANCE WITH CODE OF BUSINESS 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, 2021.

For Ecoplast Limited

Jaymin B. Desai
Managing Director

Place: Mumbai
Date: 13th May 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 Ltd. for the year ended 31st March, 2021 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 current 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.

MAHADEV DESAI	**JAYMIN B. DESAI**
CHIEF FINANCIAL OFFICER	MANAGING DIRECTOR

Place: Mumbai
Date: 13th May 2021

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, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) 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 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, 2021.

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
Partner
FCS: 8331 CP: 9511
Mumbai,
UDIN: F008331C000288204

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, 2021, 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, 2021, 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 we have obtained 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 scepticism 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.
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- 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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 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.

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: 21108310AAAAGH5267

Date :- 22nd May, 2021

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 Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ECOPLAST LIMITED (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for 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 Companies Act, 2013.

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 system over financial reporting. COVID-19 pandemic has resulted in a different and unique working environment which required performance of audit procedures remotely.

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

Opinion

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting 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

CA Mayank Y. Desai
Partner
Membership No. :- 108310
UDIN: 21108310AAAAGH5267

Date :- 22nd May, 2021
Place :- Surat

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)

i. In respect of its fixed assets:

   a) On the basis of available information, the Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.

   b) According to the information and explanation given to us, the Company has formulated a regular program of verification by which all the assets of the Company shall be verified in a phased manner over a period of once in every three years, which, in our opinion is reasonable having regard to the size of the Company and nature of assets and no material discrepancies were noticed on verification conducted during the year as compared with the book records.

   c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date

ii. In respect of its inventories:

   a) The inventories, except goods-in-transit have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

iii. The Company has not granted loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained U/s 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. There were no loans granted during the year under Section 185 of the Act.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under during the year and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under subsection (1) of Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) According to the information and explanation given to us and records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Goods and Service Tax, duty of Customs, Cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March 2021 for a period of more than six months from the date of becoming 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 Note no. 31(ii) of the Financial Statements.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

ix. The company has not raised any funds by way of initial public offer or further public offer during the year. The Company has taken term loan from bank during the year and were utilized for the purpose for which those are raised.

x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

xi. According to the information and explanation give to us and based on our examination of the records of the Company, the Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanation given to us and based on our examination of the records the company, transaction with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and details of such transaction have been disclosed in the Note No. 30 of financial statement as required by the applicable Indian accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

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

Mayank Y. Desai
Partner
Membership No.:- 108310
UDIN: 21108310AAAAGH5267

Date :- 22nd May, 2021
Place :-Surat

Ecoplast Limited
Balance Sheet as at 31 st March , 2021
CIN : L25200GJ1981PLC004375

Amount (Rs.)

	Particulars	Note No	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	2	16,56,28,079	18,06,07,497
	(b) Capital work-in-progress	2	64,88,786	64,02,786
	(c) Investment in Subsidiary	3	75,37,914	68,16,805
	(d) Financial Assets			
	(i) Loans	4	17,91,759	23,92,568
	(e) Other non-current assets	5	1,01,62,800	83,85,998
	Total non-current assets		**19,16,09,338**	**20,46,05,654**
(2)	**Current assets**			
	(a) Inventories	6	10,22,10,879	10,49,64,945
	(b) Financial Assets			
	(i) Trade Receivables	7.1	20,17,18,825	20,78,19,461
	(ii) Cash and cash equivalents	7.2	7,50,808	7,62,979
	(iii) Bank balances other than (ii) above	7.3	36,11,838	21,44,094
	(iv) Loans	7.4	21,33,637	32,03,314
	(v) Other financial assets	7.5	11,53,922	46,81,889
	(c) Other current assets	8	1,06,62,824	1,28,55,455
	Total current assets		**32,22,42,733**	**33,64,32,138**
	TOTAL ASSETS		**51,38,52,071**	**54,10,37,791**
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	9	3,00,00,000	3,00,00,000
	(b)Other Equity	10	28,73,78,955	28,97,70,539
	Total equity		**31,73,78,955**	**31,97,70,539**
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	11	4,61,27,112	3,51,26,228
	(ii) Other financial liabilities	11.1	25,17,263	10,63,392
	(b) Provisions	12	72,93,658	64,24,070
	(c) Deferred tax liabilities (Net)	13	40,07,660	47,78,829
	Total non current liabilities		**5,99,45,693**	**4,73,92,519**
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14.1	80,00,000	7,67,94,515
	(ii) Trade payables	14.2		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		16,37,183	12,65,941
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		8,32,96,912	7,47,08,823
	(iii) Other financial liabilities	14.3	3,11,38,343	1,56,00,439
	(b) Other current liabilities	15	89,56,995	26,71,444
	(c) Provisions	16	34,97,990	28,33,571
	Total current liabilities		**13,65,27,423**	**17,38,74,733**
	TOTAL EQUITY AND LIABILITIES		**51,38,52,071**	**54,10,37,791**

The accompanying notes from 1 to 38 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:21108310AAAAGH5267

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13 th May,2021

Place: Valsad

Ecoplast Limited
Statement of Profit and Loss for the year ended 31st March, 2021
CIN : L25200GJ1981PLC004375

Amount (Rs.)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from Operations	17	75,37,26,072	96,22,24,762
II	Other Income	18	92,76,000	1,34,81,145
III	**TOTAL INCOME (I+II)**		**76,30,02,072**	**97,57,05,907**
IV	Expenses			
	Cost of materials consumed	19	52,46,58,609	63,49,38,440
	Changes in inventories of finished goods, stock in trade and work-in-progress	20	52,65,792	93,32,974
	Employee benefits expense	21	8,48,81,989	9,56,69,527
	Finance costs	22	1,13,10,261	87,74,724
	Depreciation and amortization expense	2	2,73,05,133	2,39,34,474
	Other expenses	23	10,62,53,727	14,04,96,453
	Impairment Loss on Investment		-	1,30,55,674
	TOTAL EXPENSES (IV)		**75,96,75,511**	**92,62,02,266**
V	**Profit/(loss) before tax (III-IV)**		**33,26,561**	**4,95,03,641**
VI	Tax expense:			
	(1)Current tax		(19,04,000)	(1,59,20,000)
	(2)Deferred tax		8,24,711	90,491
	(3)Tax in respect of Earlier Years		1,07,146	2,10,648
			(9,72,143)	**(1,56,18,861)**
VII	**Profit for the year (V-VI)**		**23,54,418**	**3,38,84,780**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(1,92,460)	(12,19,741)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(53,542)	(3,39,332)
IX	**Total comprehensive income for the year (VII+VIII)**		**21,08,416**	**3,23,25,707**
X	Earnings per equity share:			
	Basic and Diluted		0.78	11.29

The accompanying notes from 1 to 38 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:21108310AAAAGH5267

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13 th May,2021

Place: Valsad

Ecoplast Limited
Cash Flow Statement for the year ended 31st March' 2021
CIN - L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2021 Amount (Rs.)		For the year ended 31st March, 2020 Amount (Rs.)	
A. Cash flow from operating activities				
Net Profit before Tax as per Statement of Profit and Loss		33,26,561		4,95,03,641
Adjustments for:				
Depreciation and amortization and impairment	2,65,84,024		3,82,83,768	
(Profit) / loss on sale / write off of assets (net)	(1,03,470)		(7,793)	
Finance costs	1,13,10,261		87,74,724	
Interest income	(4,75,468)		(28,79,785)	
Other Comprehensive Income	(1,92,460)		(12,19,741)	
Liabilities / provisions no longer required written back	-		(5,43,137)	
Provision for doubtful trade and other receivables, loans and advances	8,99,305		4,795	
		3,80,22,192		4,24,12,832
Operating profit before working capital changes		4,13,48,753		9,19,16,472
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	27,54,066		1,22,71,533	
Trade receivables	52,01,331		(4,14,26,291)	
Short-term loans and advances	10,69,677		7,70,584	
Long-term loans and advances	(9,64,685)		72,57,835	
Other current financial assets	35,27,967		(27,28,258)	
Other non current assets	(16,69,657)		(7,70,443)	
Other current assets	21,92,631		(2,49,538)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	89,59,331		3,26,345	
Other current liabilities	62,85,552		(27,44,758)	
Other current financial liabilities	1,69,91,775		54,40,867	
Short-term provisions	6,64,419		(4,90,619)	
Long-term provisions	8,69,588		2,27,306	
		4,58,81,995		(2,21,15,436)
		8,72,30,748		6,98,01,036
Cash generated from operations		8,72,30,748		6,98,01,036
Net income tax (paid) / refunds		(19,04,000)		(1,59,20,000)
Net cash flow from / (used in) operating activities (A)		**8,53,26,748**		**5,38,81,036**
B. Cash flow from investing activities				
Payment for property, plant and equipment , including capital advances	(1,25,22,146)		(8,52,14,145)	
Proceeds from sale of fixed assets	2,13,902		35,405	
Loans repaid by				
- Subsidiary Company	15,65,494		1,12,39,402	
Interest received				
- Subsidiary Company	2,94,123		22,45,081	
- Others	1,81,345		6,34,704	
		(1,02,67,282)		(7,10,59,552)
		(1,02,67,282)		(7,10,59,552)
Net cash flow from / (used in) investing activities (B)		**(1,02,67,282)**		**(7,10,59,552)**

Ecoplast Limited
Cash Flow Statement for the year ended 31st March' 2021
CIN - L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2021 Amount (Rs.)		For the year ended 31st March, 2020 Amount (Rs.)	
C. Cash flow from financing activities				
Proceeds / (Repayment) of long-term borrowings	1,10,00,884		2,67,11,228	
Net increase / (decrease) in Short term borrowings	(6,87,94,515)		42,05,911	
Finance cost	(1,13,10,261)		(87,74,724)	
Dividends paid	(45,00,000)		(45,00,000)	
Tax on dividend	-		(9,24,990)	
		(7,36,03,892)		1,67,17,425
Net cash flow from / (used in) financing activities (C)		**(7,36,03,892)**		**1,67,17,425**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**14,55,574**		**(4,61,092)**
Cash and cash equivalents at the beginning of the year				
Balances with banks in current accounts, earmarked balances and deposit accounts		25,61,658		29,88,706
Cash on hand		3,45,414		3,79,458
Cash and cash equivalents at the end of the year		**43,62,646**		**29,07,072**
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		2,88,193		3,45,414
(b) Balances with banks in current accounts and deposit accounts		4,62,615		4,17,565
(c) Balances with banks in earmarked balances and deposit accounts		36,11,838		21,44,094
CASH AND CASH EQUIVALENTS.		**43,62,646**		**29,07,072**

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 **38** 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:21108310AAAAGH5267

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place : Mumbai
Date : 13 th May,2021

Place: Valsad

Ecoplast Limited

Statement of changes in equity for the year ended 31st March, 2021

a. Equity Share Capital:

Amount (Rs.)

Particulars	Amount
Balance as at the 31 March 2020	**3,00,00,000**
Changes in equity share capital during 2020-21	-
Balance as at the 31 March 2021	**3,00,00,000**

b. Other Equity:

Particulars	Reserves and Surplus			Other Comprehensive Income (OCI)	Total Equity
	General Reserve	Securities Premium	Retained Earnings		
As at 31st March, 2019	**5,07,81,315**	**3,00,00,000**	**18,63,08,910**	**(42,20,403)**	**26,28,69,822**
Profit for the year	-	-	3,38,84,780		3,38,84,780
Corporate Dividend			(45,00,000)		(45,00,000)
Corporate Dividend Tax			(9,24,990)		(9,24,990)
Other comprehensive income for the year	-	-			
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-		(15,59,073)	(15,59,073)
As at 31st March, 2020	**5,07,81,315**	**3,00,00,000**	**21,47,68,700**	**(57,79,476)**	**28,97,70,539**
Profit for the year			23,54,418		23,54,418
Corporate Dividend			(45,00,000)		(45,00,000)
Corporate Dividend Tax			-		-
					-
Other comprehensive income for the year					
Remeasurement of the Net Defined benefit Liability/asset, net of tax effect	-	-	-	(2,46,002)	(2,46,002)
As at 31st March, 2021	**5,07,81,315**	**3,00,00,000**	**21,26,23,118**	**(60,25,478)**	**28,73,78,955**

The accompanying notes from 1 to 38 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:21108310AAAAGH5267

MUKUL DESAI
Chairman
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JAYMIN B. DESAI
Managing Director
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ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Surat
Date : 22nd May 2021

Place : Mumbai
Date : 13 th May,2021

Place: Valsad

Ecoplast Limited

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.

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 Rupee, except where otherwise indicated.

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.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investment in subsidiary. The Company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements.

Ecoplast Limited

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.

Ecoplast Limited

1.4. Intangible Assets

1.4.1. 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.

Ecoplast Limited

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 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 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.

Ecoplast Limited

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.

Ecoplast Limited

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.

Ecoplast Limited

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.

Ecoplast Limited

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.

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.

Ecoplast Limited

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.

Ecoplast Limited

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.

Ecoplast Limited

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.

Ecoplast Limited

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.

Ecoplast Limited

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 Financial Statements for the year ended 31st March, 2021

2 Property, Plant and Equipment & Intangible Assets

Amount (Rs.)

Particulars	Freehold land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying value as on March 31 , 2019	**50,96,185**	**3,38,37,259**	**12,41,35,741**	**19,03,069**	**25,87,434**	**56,10,688**	**17,31,70,377**
Additions	-	1,05,46,523	6,61,42,025	3,31,566	61,38,633	9,57,554	8,41,16,302
Deletions	-	-	1,22,100	-	5,12,061	50,800	6,84,961
Gross Carrying value as on March 31 , 2020	**50,96,185**	**4,43,83,782**	**19,01,55,667**	**22,34,635**	**82,14,006**	**65,17,443**	**25,66,01,718**
Additions	-	2,51,762	38,52,876	1,05,552	-	16,19,369	58,29,558
Deletions	-	-	-	-	15,26,224	1,83,442	17,09,666
Gross Carrying value as on March 31 , 2021	**50,96,185**	**4,46,35,544**	**19,40,08,542**	**23,40,187**	**66,87,782**	**79,53,370**	**26,07,21,611**
Accumulated depreciation as on March 31, 2019	**-**	**45,41,053**	**4,61,47,436**	**3,93,202**	**11,96,927**	**23,05,215**	**5,45,83,832**
Depreciation charge for the year	-	18,36,521	1,89,91,339	2,35,045	12,76,797	12,91,971	2,36,31,673
Depreciation on deletion	-	-	97,028	-	5,12,061	48,260	6,57,349
Accumulated depreciation as on March 31, 2020	**-**	**63,77,574**	**6,50,41,747**	**6,28,247**	**19,61,663**	**35,48,926**	**7,75,58,157**
Depreciation charge for the year	-	21,22,161	2,06,87,741	2,50,418	9,66,451	13,38,397	2,53,65,167
Depreciation on deletion	-	-			14,35,985	1,63,249	15,99,234
Accumulated depreciation as on March 31, 2021	**-**	**84,99,735**	**8,57,29,487**	**8,78,665**	**14,92,128**	**47,24,074**	**10,13,24,089**
At 31st March,2019	50,96,185	2,92,96,206	7,79,88,306	15,09,867	13,90,507	33,05,474	11,85,86,545
At 31st March,2020	50,96,185	3,80,06,208	12,51,13,920	16,06,388	62,52,344	29,68,517	17,90,43,562
At 31st March,2021	50,96,185	3,61,35,810	10,82,79,055	14,61,522	51,95,654	32,29,296	15,93,97,522

(i) Gross Carrying value include Rs.24,46,449 on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.

(ii) Buildings include Rs.250 being cost of 5 shares of Rs.50 each in Riddhi Premises Co-operative Housing Society Ltd.

(iii) Assets are mortgaged / hypothecated as security for borrowing

2 Capital work-in-progress

Carrying amount		As at 31st March, 2021	As at 31st March, 2020
Capital work-in-progress		64,88,786	64,02,786

2 Leased Assets

Particulars	Buildings	
Gross Carrying value as on March 31 , 2020	**18,66,736**	(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	73,89,587	
Deletions	13,11,060	
Gross Carrying value as on March 31 , 2021	**79,45,263**	
Accumulated depreciation as on March 31, 2020	**3,02,801**	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.
Depreciation charge for the year	19,39,966	
Depreciation on deletion	5,28,061	
Accumulated depreciation as on March 31, 2021	**17,14,706**	
Net Carrying value		
At 31st March,2020	15,63,935	
At 31st March,2021	62,30,557	(b) The Company's leases of building for warehouse facilities and office premises

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

3 INVESTMENTS IN SUBSIDIARY

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Equity Shares of a Subsidiary Company		
Unquoted		
11,95,360 (As at 31 March 2020 :11,95,360) Equity Shares of Rs.10 each fully paid up in Synergy Films Pvt.Ltd.	75,37,914	68,16,805
Total	**75,37,914**	**68,16,805**

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

4 LOANS - NON CURRENT

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans Receivables Considered Good-Unsecured		
Security deposits	15,67,902	2,04,300
Loan and Interest due thereon from Subsidiary Company	-	15,65,494
Loans and advances to employees	2,23,857	6,22,774
Total	**17,91,759**	**23,92,568**

5 OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Prepaid Expenses	5,59,034	5,87,993
Capital Advances	6,30,060	6,66,880
Advance income tax net of provisions	89,05,413	70,48,535
CST & VAT receivable on Assessment	68,294	82,590
Total	**1,01,62,800**	**83,85,998**

6 INVENTORIES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	6,40,48,836	5,18,67,915
Raw-Materials in-transit	95,90,917	1,94,60,234
Work-in-progress	1,18,96,892	1,58,60,170
Finished goods	45,80,464	1,34,76,727
Finished Goods in-transit	91,47,341	15,53,592
Packing Material , Stores and Spares	28,94,640	26,36,068
Others - Scrap	51,789	1,10,239
Total	**10,22,10,879**	**10,49,64,945**

(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, 2021

7.1 TRADE RECEIVABLES

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Trade Receivables Considered Good-Unsecured	19,79,86,414	20,64,52,230
(ii) Trade Receivables which have a significant increase in Credit Risk	37,32,411	13,67,231
Others		
(i) Considered good	19,79,86,414	20,64,52,230
(ii) Considered doubtful	-	-
(iii) Trade receivable -Credit Impaired	14,24,271	5,24,967
Less: Allowance for Credit loss	14,24,271	5,24,967
Total	**20,17,18,825**	**20,78,19,461**

Includes Trade receivable from Related Parties : Rs. nil /- (Previous Year Rs. 13,38,943/-) Refer Note No. 30

7.2 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Balances with banks		
- In current accounts	4,62,615	4,17,565
(ii) Cash in hand	2,88,193	3,45,414
Total	**7,50,808**	**7,62,979**

7.3 BANK BALANCES

Particulars	As at 31st March, 2021	As at 31st March, 2020
In Fixed Deposit Accounts, held as margin money against Letter of Credit & Bank Guarantee	27,51,143	12,81,143
Unpaid dividend accounts	8,60,695	8,62,951
Total	**36,11,838**	**21,44,094**

7.4 LOANS - CURRENT

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans receivables considered good - unsecured		
Balances with Government Authorities		
GST/Cenvat credit receivable	14,36,826	16,19,296
Loans and Advances to employees	6,96,811	15,84,018
Total	**21,33,637**	**32,03,314**

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

7.5 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued on Fixed Deposits with Banks & Other Deposits	76,903	3,88,733
Discount Receivable	10,77,019	42,93,156
Total	**11,53,922**	**46,81,889**

8 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
TDS Refund Receivable	3,60,814	3,60,814
GST-Refund Receivable - Export	3,98,320	3,99,381
GST-Sales In Transit	3,15,709	-
Prepaid Gratuity	-	11,51,452
Prepaid expenses	36,12,820	33,64,610
Advance to Trade Payables	59,75,161	75,79,198
		-
Total	**1,06,62,824**	**1,28,55,455**

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

9 EQUITY SHARE CAPITAL

Amount (Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs. 10/- each fully paid up	3,00,00,000	3,00,00,000
Total	**3,00,00,000**	**3,00,00,000**

Notes:

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

Authorised share capital:	No. of shares	Amount
Balance as at 31st March,2020	**1,00,00,000**	**10,00,00,000**
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2021	**1,00,00,000**	**10,00,00,000**

Issued, Subscribed and paid up share capital:	No. of shares	Amount
Balance as at 31st March,2020	**30,00,000**	**3,00,00,000**
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2021	**30,00,000**	**3,00,00,000**

(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, 2020	5,42,246	18.07%
As at 31st March, 2021	5,42,246	18.07%
Mrs Charulata N.Patel		
As at 31st March, 2020	4,00,752	13.36%
As at 31st March, 2021	4,00,752	13.36%
Stuti J.Desai		
As at 31st March, 2020	47,116	1.57%
As at 31st March, 2021	1,55,960	5.20%
Silver Stream Properties LLP		
As at 31st March, 2020	4,76,827	15.89%
As at 31st March, 2021	4,76,827	15.89%

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

10 OTHER EQUITY

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Securities premium		
Balance as per last Balance Sheet	3,00,00,000	3,00,00,000
Closing Balance	**3,00,00,000**	**3,00,00,000**
(b) General reserve		
Balance as per last Balance Sheet	5,07,81,315	5,07,81,315
Closing Balance	**5,07,81,315**	**5,07,81,315**
(c)Retained Earnings		
Balance as at beginning of the year	21,47,68,701	18,63,08,911
Add: Profit for the year	23,54,419	3,38,84,780
	21,71,23,120	**22,01,93,691**
Less: Appropriations		
Payment of final Dividend to equity shareholders (Rs 1.50 per share)	45,00,000	45,00,000
Payment of Dividend distribution tax on final dividend	-	9,24,990
Closing Balance	**21,26,23,120**	**21,47,68,701**
(d)Other Comprehensive income		
Balance as at beginning of the year	(57,79,477)	(42,20,404)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	(2,46,002)	(15,59,073)
	(60,25,479)	**(57,79,477)**
Total	**28,73,78,955**	**28,97,70,539**

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 distributions

Other Comprehensive income
These are actuarial gains/ losses on employee benefit obligations.

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

11 NON CURRENT BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Term Loans		
Bank of Baroda Term Loan - Total	**4,33,59,693**	**3,15,25,066**
Car Loan under Hire Purchase	**27,67,419**	**36,01,162**
Total	**4,61,27,112**	**3,51,26,228**

Details:

(i) The above are valued at Amortized cost.

(ii) The above Loans are Secured by Equitable Mortgage of Land & Factory Building of the Company at Abrama-Valsad, Office Premises at Andheri (East) Mumbai & hypothecation of Plant and Machineries, Electrical Installations, Furniture & Fixtures, Office Equipments and Other Movable Fixed Assets of the Company, both present and future and hypothecation of raw materials ,stock in process, Stores & Spares, packing materials and finished goods and book debts of the Company both present and future and further secured by personal guarantee of Managing Director.

(iii) **Interest Rate Profile of Term Loans & Deposits are set out as below:**

Particulars	Rate of Interest (p.a.)	Amount in Rs.
Term Loan from Bank	9.50%	**14,32,974**
Term Loan from Bank	9.50%	**2,38,73,388**
Term Loan from Bank	7.65%	**23,45,000**
Term Loan from Bank	8.00%	**1,57,08,331**
Car Loan under Hire Purchase	8.30%	**27,67,419**
Total		**4,61,27,112**

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

Particulars	Maturity Profile (Amount in `)		
	1-2 years	3-4 years	> 4 years
Term Loan from Bank & Others	2,93,02,988	1,68,24,124	-

11.1 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease rent Liability	25,17,263	10,63,392
Total	**25,17,263**	**10,63,392**

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

12 PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits:		
Provision for compensated absences	71,48,665	64,24,070
Provision for Gratuity	1,44,992	-
Total	**72,93,658**	**85,50,854**

13 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	1,06,93,062	87,82,152
Loan to subsidiary	81,825	6,24,582
Tax effect of items constituting deferred tax liability	1,07,74,887	94,06,733
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	30,02,236	25,75,476
Provision for doubtful debts / advances	3,96,232	1,46,046
Provision for diminution in the value of investments	15,86,049	15,86,049
On Account of Retiring Gratuity	-	3,20,334
Adjustment to Right to use asset	17,82,710	-
Tax effect of items constituting deferred tax assets	67,67,227	46,27,904
Net deferred tax (Liability) / Asset	**(40,07,660)**	**(47,78,829)**

14.1 BORROWINGS (SHORT TERM)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loans repayable on demand		
From banks		
Secured (@ 9.60%pa)	-	6,87,94,515
From Others - Unsecured		
Inter Corporate Deposits (@ 9.75%pa)	80,00,000	80,00,000
Total	**80,00,000**	**7,67,94,515**

(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 Office Premises at Andheri (East) Mumbai, hypothecation of Plant and Machineries and guaranteed by Managing Director

(ii) The above are valued at Amortized cost.

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

14.2 TRADE PAYABLES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade payables:		
Micro, Small and Medium Enterprises	16,37,183	12,65,941
Trade Payable to Related Party	1,50,064	8,28,356
Others	8,31,46,848	7,38,80,467
Total	**8,49,34,095**	**7,59,74,764**

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

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2021 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal Amount due and remaining unpaid	16,37,183	12,65,941
Interest due on above and the unpaid interest	53,418	6,483
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	68,90,111	14,27,749
Interest due and payable for the period of delay	53,418	6,483
Interest accrued and remaining unpaid	53,418	35,421
Amount of further interest remaining due and payable in succeeding years	53,418	41,904

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.

14.3 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term Secured Debts (Refer Note no 11)	2,63,68,845	1,41,76,409
Unclaimed dividends	8,60,034	8,62,290
Unclaimed matured deposits and interest accrued thereon	18,710	18,710
Lease rent Liability	38,90,754	5,43,030
Total	**3,11,38,343**	**1,56,00,439**

15.0 OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other payables		
Statutory dues payable	15,87,431	6,81,167
Advances from customers	57,87,499	14,60,901
Others -Net Salaries & Wages Payable	15,82,065	5,29,376
Total	**89,56,995**	**26,71,444**

16.0 PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits:		
Provision for bonus	28,07,120	22,67,653
Provision for compensated absences	6,90,869	5,65,918
Total	**34,97,990**	**28,33,571**

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

17 REVENUE FROM OPERATIONS

Amount (Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sale of products		
Manufactured goods		
Plastic Film	73,42,55,930	94,63,55,252
Others	72,83,016	56,40,338
Traded goods		
Others	47,46,740	42,60,145
Other operating revenues		
Sale of Scrap	18,11,583	18,97,395
Services rendered	56,28,803	40,71,632
Total	**75,37,26,072**	**96,22,24,762**

Footnote:

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

Particulars	March 31, 2021	March 31, 2020
Revenue as per contracted price	76,69,65,906	97,38,98,874
Adjustments		
Sales return	28,52,628	1,00,41,012
Sales Price/ Quantity Difference/ Quality claims	88,39,547	5,09,665
Development Cost - free Samples	2,14,729	3,81,915
Discounts	13,32,931	7,41,520
Revenue from contract with customers	75,37,26,072	96,22,24,762

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

18 OTHER INCOME

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income		
Interest from banks on Fixed Deposits	1,25,221	94,537
Interest on Deposit with Dakshin Gujarat Vij Co Ltd. & Others	-	4,09,082
Interest on Employees Loan	56,124	1,31,085
Interest on loan to subsidiary	2,94,123	22,45,081
Other non-operating income		
Profit on sale of fixed assets	1,03,470	7,793
Liabilities / provisions no longer required written back (net)	-	5,43,137
Insurance Claim Received	3,62,875	2,69,968
Gain on foreign currency transactions and translation (net)	32,17,515	47,92,230
Impairment Provision written Back	8,33,238	-
Excess Provision for Gratuity	7,59,483	-
Supervision Charges	91,931	-
Miscellaneous income	13,73,117	17,88,764
Sundry Creditors W.back/ W.off	9,393	2,105
Export Incentive - MEIS Duty Script	20,49,511	31,97,362
Total	**92,76,000**	**1,34,81,145**

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

19 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Stock	5,19,78,154	4,94,64,307
Add: Purchases	53,67,81,080	63,74,52,287
Less: Closing Stock	6,41,00,625	5,19,78,154
Purchases Includes Rs. 37,55,224 /- for Traded Goods (Previous Year Rs.42,15,161/-)		
Total Cost of materials consumed	**52,46,58,609**	**63,49,38,440**

20 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the end of the year:		
Finished goods	1,37,27,805	1,50,30,319
Work-in-progress	1,18,96,892	1,58,60,170
	2,56,24,697	3,08,90,489
Inventories at the beginning of the year:		
Finished goods	1,50,30,319	3,03,21,798
Work-in-progress	1,58,60,170	99,01,665
	3,08,90,489	4,02,23,463
Net (increase) / decrease	**52,65,792**	**93,32,974**

21 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages, Bonus and Other Allowances	7,55,28,498	8,46,67,580
Contributions to Provident and other funds	85,13,821	93,53,565
Staff Welfare expenses	8,39,670	16,48,382
Total	**8,48,81,989**	**9,56,69,527**

Footnote:
Contribution to Provident and other funds includes contribution to Provident fund for director Rs. 4,89,543 (For 31st March, 2020: Rs. 7,74,000)

Ecoplast Limited
Notes to Financial Statements for the year ended 31st March, 2021

22 FINANCE COSTS

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense	90,47,854	62,08,315
Other Borrowing costs	22,62,407	25,66,409
Total	**1,13,10,261**	**87,74,724**

23 OTHER EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of Stores and Spare parts	9,14,124	17,64,609
Consumption of Packing Materials	1,88,75,493	2,57,25,617
Consumption of Printing Cylinders	16,56,212	37,63,520
Power and fuel	4,12,46,450	4,89,60,595
Conversion Charges Paid	62,834	1,58,005
Repairs and Maintenance - Buildings	7,01,522	19,05,776
Repairs and Maintenance - Machinery	37,43,434	83,51,617
Repairs and Maintenance - Others	4,96,985	7,42,163
Insurance	44,33,799	41,99,159
Rates and taxes	2,53,872	2,53,863
Communication	7,17,513	8,51,210
Travelling and Conveyance	6,56,373	54,41,687
Printing and Stationery	6,98,727	10,84,008
Freight and forwarding	1,44,65,237	1,79,19,218
Sales Commission	10,53,198	7,54,156
Sales discount	2,78,209	66,067
Business promotion	14,999	1,20,923
Donations and contributions	3,00,000	3,11,001
CSR Expenditure	10,00,000	-
Motor Car Expenses	7,07,256	6,62,958
Security Charges	22,16,453	20,15,654
Directors Sitting Fees	9,00,000	5,90,000
Commission to Non-Executive Directors	24,140	6,25,515
Legal and Professional	49,52,347	57,51,899
Payments to Auditors (see note below)	6,75,319	7,40,811
Bad Trade Receivables	-	5,43,137
Provision for doubtful trade receivables	8,99,305	4,795
Other Miscellaneous Expenses	43,09,924	71,88,493
Total	**10,62,53,727**	**14,04,96,453**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payments to the auditors comprises		
To statutory auditors		
Audit Fees	4,00,000	4,00,000
Tax Audit Fees	80,000	80,000
Certification and Other Services	1,42,500	1,50,000
Reimbursement of Expenses	52,819	1,10,811
Total	**6,75,319**	**7,40,811**

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March, 2021

24 Earnings per share (EPS)

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

i. Profit attributable to Equity holders of Company

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit attributable to equity holders of the company for basic and diluted earnings per share	23,54,418	3,38,84,780

ii. Weighted average number of ordinary shares

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
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)	**0.78**	**11.29**

Ecoplast Limited

Notes Forming Part of Financial Statements for the year ended 31st March,2021

25 Tax Expense

(a) Amounts recognised in profit and loss Amount (Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense		
Current year	19,04,000	1,59,20,000
Short/(Excess) provision of earlier years	(1,07,146)	(2,10,648)
Deferred tax expense		
Origination and reversal of temporary differences	(8,24,711)	(90,491)
Tax expense recognised in the income statement	**9,72,143**	**1,56,18,861**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(1,92,460)	(53,542)	(2,46,002)	(12,19,741)	(3,39,332)	(15,59,073)
	(1,92,460)	**(53,542)**	**(2,46,002)**	**(12,19,741)**	**(3,39,332)**	**(15,59,073)**

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	%	Amounts	%	Amounts
Profit before tax		33,26,561		4,95,03,641
Tax using the Company's domestic tax rate	27.82%	9,25,449	27.82%	1,37,71,913
Tax effect of:				
Expenses not deductible for tax purposes	29.42%	9,78,551	4.34%	21,47,774
Income exempt from Income taxes				
Short/(Excess) provision of earlier years	-3.22%	(1,07,146)	-0.43%	(2,10,648)
Profit on sale/discard/impairment of Fixed Assets				
Interest on Income tax				
Tax due to change in tax rate				
Others	-24.79%	(8,24,711)	-0.18%	(90,491)
Effective income tax rate	**29.22%**	**9,72,143**	**31.55%**	**1,56,18,548**

(d) Movement in deferred tax

Particulars	As at 31st March, 2020			As at 31st March, 2021		
	Net balance March 31, 2020	Recognized in profit or loss	Recognized in OCI	Net	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	87,82,152	19,10,910		1,06,93,062		1,06,93,062
Loan to subsidiary	6,24,582	(5,42,757)		81,825		81,825
Financial Guarantee	-	-		-		-
Provision for compensated absences, gratuity and other employee benefits	(25,75,476)	(4,80,303)	53,542	(30,02,236)	30,02,236	
Provision for doubtful debts / advances	(1,46,046)	(2,50,186)		(3,96,232)	3,96,232	
Provision for diminution in the value of investments	(15,86,049)	-		(15,86,049)	15,86,049	
Loan to subsidiary	-	-		-	-	
On Account of Retiring Gratuity	(3,20,334)	3,20,334		-	-	
Financial Guarantee	-	-		-	-	
Adjustment to Right to use asset		(17,82,710)		(17,82,710)	17,82,710	-
Tax assets (Liabilities)	**47,78,829**	**(8,24,711)**	**53,542**	**40,07,660**	**67,67,227**	**1,07,74,887**
	-	-		-		
Tax assets (Liabilities) (Net)	**47,78,829**	**(8,24,711)**	**53,542**	**40,07,660**	**67,67,227**	**1,07,74,887**

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March, 2021

26 **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 conditions.

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings	4,61,27,112	3,51,26,228
Less: Cash and bank balances	7,50,808	7,62,979
Net debt	4,53,76,304	3,43,63,249
Total equity	31,73,78,955	31,97,70,539
Net debt to equity ratio	**14.30%**	**10.75%**

B **Fair value measurement hierarchy:**

Particulars	As at 31st March, 2021				As at 31st March, 2020			
	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	20,17,18,825	-	-	-	20,78,19,461	-	-	-
Cash and cash equivalents	7,50,808	-	-	-	7,62,979	-	-	-
Bank balances other than above	36,11,838	-	-	-	21,44,094	-	-	-
Loans	39,25,396	-	-	-	55,95,883	-	-	-
Other financial assets	11,53,922	-	-	-	46,81,889	-	-	-
Financial liabilities								
At FVTPL		-	-	-	-	-	-	-
At Amortized cost								
Borrowings	5,41,27,112	-	-	-	11,19,20,743	-	-	-
Trade payables	8,49,34,095	-	-	-	7,59,74,764	-	-	-
Other financial liabilities	3,11,38,343	-	-	-	1,56,00,439	-	-	-

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, 2020.

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:

<u>Other financial assets and liabilities:-</u>

- 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 March, 2021

27 **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 March, 2021

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.20,17,18,824/- and Rs.20,78,19,461/- as at March 31, 2021 and March 31, 2020, 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 receivables:

Ageing of Trade receivables

Particulars	**As at 31st March, 2021**	**As at 31st March, 2020**
Not due	15,55,81,141	10,83,89,190
1 - 180 Days	4,24,05,272	9,80,63,040
181-360 Days	24,96,195	13,08,816
361-500 Days	18,14,702	1,65,142
More Than 500 days	8,45,786	4,18,240
Allowance for doubtful trade receivables (Expected credit loss allowance)	(14,24,271)	(5,24,967)
Total	**20,17,18,824**	**20,78,19,461**

Movement in provisions of doubtful debts

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening provision	5,24,967	10,63,316
Add: Additional provision made	8,99,305	4,787
Provision Reverse	-	(5,38,349)
Closing provision	**14,24,271**	**5,24,967**

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 43,62,646/- as at 31st March, 2021 (31st March, 2020: Rs. Rs.29,07,072/-). The cash and cash equivalents are held with banks.

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March,2021

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:

Particulars	As at 31st March, 2020			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	11,19,20,743	7,67,94,515	3,51,26,228	
Trade and other payables	7,59,74,764	7,59,74,764	-	-
Other financial liabilities	1,56,00,439	1,56,00,439	-	-
	20,34,95,947	**16,83,69,718**	**3,51,26,228**	**-**

Particulars	As at 31st March, 2021			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	5,41,27,112	80,00,000	4,61,27,112	
Trade and other payables	8,49,34,095	8,49,34,095	-	-
Other financial liabilities	3,11,38,343	3,11,38,343	-	-
	17,01,99,551	12,40,72,439	4,61,27,112	-

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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:

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
In US Dollars (USD)	4,74,897	2,90,936	97,972	90,447
In Euro (EUR)	84,740	4,250	-	-

Particulars	Liabilities (INR)		Assets (INR)	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
In US Dollars (USD)	3,51,88,564	2,20,99,461	71,55,857	67,84,480
In Euro (EUR)	73,79,142	3,57,510	-	-

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% charge 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

Particulars	USD impact	
	As at 31st March, 2021	As at 31st March, 2020
Increase in exchange rate by 5%	(14,01,635)	(7,65,749)
Decrease in exchange rate by 5%	14,01,635	7,65,749

Particulars	Euro impact	
	As at 31st March, 2021	As at 31st March, 2020
Increase in exchange rate by 5%	(3,68,957)	(17,876)
Decrease in exchange rate by 5%	3,68,957	17,876

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 11 and 14.1

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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

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Notes Forming Part of Financial Statements for the year ended 31st March,2021

28 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.45,20,363/- (As at 31st March, 2020: Rs.43,92,430/) for Provident Fund contributions and Rs.26,33,266/- (As at 31st March, 2020: Rs. 30,09,862/-) 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, 2021.

a) **Changes in present value of obligations (PVO)**	**Gratuity - Funded**	
	31st March, 2021	**31st March, 2020**
Present Value of Benefit Obligation at the Beginning of the Period	1,93,88,670	1,93,04,555
Interest cost	13,35,879	15,03,825
Past Service Cost	-	-
Current service cost	11,83,319	9,31,874
Benefits paid from the fund	(14,66,922)	(27,27,794)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	1,12,543	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(80,621)	(12,68,712)
Actuarial (Gains)/Losses on Obligations - Due to Experience	1,16,716	16,44,922
PVO at the end of the year	**2,05,89,584**	**1,93,88,670**

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Notes Forming Part of Financial Statements for the year ended 31st March,2021

b) **Fair value of plan assets**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Fair value of plan assets at the beginning of the year	2,05,40,122	2,04,39,695
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	(43,822)	(8,43,531)
Interest income	14,15,214	15,92,252
Contributions by the employer	-	20,79,500
Benefits paid from the fund	(14,66,922)	(27,27,794)
Fair value of plan assets at the end of the year	**2,04,44,592**	**2,05,40,122**

c) **Amount to be recognized in the balance sheet**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
PVO at the end of period	2,05,89,584	1,93,88,670
Fair value of plan assets at end of the period	2,04,44,592	2,05,40,122
Funded status (Surplus/(Deficit))	(1,44,992)	11,51,452
Net (Liability)/Asset Recognized in the Balance Sheet	**(1,44,992)**	**11,51,452**

d) **Expense recognized in the statement of profit or loss**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Current service cost	11,83,319	9,31,874
Net interest Cost	(79,335)	(88,427)
Past Service Cost	-	-
Expense recognized in the statement of profit or loss	11,03,984	8,43,447

e) **Other comprehensive income (OCI)**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Actuarial (Gain)/Loss on Obligation for the period	1,48,638	3,76,210
Return on plan assets excluding Interest Income	43,822	8,43,531
Net (Income)/Expense For the Period Recognized in OCI	1,92,460	12,19,741

f) **Actual return on the plan assets**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
	13,71,392	7,48,721

g) **Category of Assets**	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Insurance Fund	2,04,44,592	2,05,40,122

h) **Assumption**:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Expected Rate on Plan Assets	6.95%	6.89%
Rate of Discounting	6.95%	6.89%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	2.00%
Mortality Rate during employment	IALM(2006-08)	IALM(2006-08)
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 2.16% (P.Y. by Increased 32.38%) However the total salary increased by 12.71% (P.Y. Increased by 26.58%)during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 8.43% (P.Y. decreased by 1.44%).

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,2021

i) Expected Payout:

Year	PVO payouts 31st March, 2021	PVO payouts 31st March, 2020
1st Following Year	22,22,402	40,03,702
2nd Following Year	10,85,250	4,50,211
3rd Following Year	29,41,271	7,99,804
4th Following Year	30,64,448	26,33,656
5th Following Year	27,69,039	28,09,379
Sum of years 6 to 10	70,61,769	60,02,315
Sum of years 11 and above	1,74,56,093	1,92,20,713

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.

Particulars	31st March, 2021	31st March, 2020
Projected Benefit Obligation on Current Assumptions	2,05,89,587	1,93,88,670
Delta Effect of +1% Change in Rate of Discounting	(12,57,408)	(12,53,568)
Delta Effect of -1% Change in Rate of Discounting	14,29,645	14,41,134
Delta Effect of +1% Change in Rate of Salary Increase	12,22,117	12,73,013
Delta Effect of -1% Change in Rate of Salary Increase	(10,89,848)	(11,26,926)
Delta Effect of +1% Change in Rate of Employee Turnover	1,06,046	1,05,956
Delta Effect of -1% Change in Rate of Employee Turnover	(1,08,245)	(1,18,957)

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:

	Note	As at 31st March, 2021	As at 31st March, 2020
Total employee benefit liabilities			
Other current liabilities	16	(1,44,992)	-
Other current assets	8	-	11,51,452

(k) General Assumptions

<u>(i) Leave Policy:</u>

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 2021 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.

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March,2021

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

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

Sr No	Particulars	2020-21	2019-20
A)	**Subsidiary Company**		
	Synergy Films Pvt.Ltd.		
	Sales of Goods	18,88,150	28,60,000
	Purchase of Used Plant & Machinery	-	32,00,000
	Inter Corporate Deposit receivable Including Interest	-	15,65,494
B)	**Key Managerial Personnel (KMP)**		
	Mr.J.B.Desai : Managing Director		
	Remuneration Paid	54,55,996	1,05,26,100
	Mr. M. B. Desai : Chairman /Non Executive/Independent Director		
	Sitting Fees Paid	3,00,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mrs. C. N. Patel : Non Executive Director		
	Sitting Fees Paid	2,10,000	80,000
	Commission Paid on Profit	1,56,378	84,114
	Mr. B. M. Desai : Non Executive/Independent Director		
	Sitting Fees Paid	2,80,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mr. D. T.Desai : Non Executive/Independent Director		
	Sitting Fees Paid	-	-
	Commission Paid on Profit	-	-
	Mr. J. A. Moos : Non Executive/Independent Director		
	Sitting Fees Paid	1,10,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mr.Atul Baijal : Whole Time Director		
	Remuneration Paid	6,54,277	-

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March,2021

C)	**Others :**		
	Mr. M. D. Desai : Chief Finance Officer		
	Remuneration Paid	32,84,310	31,54,728
	Mr. Antony Alapat : Company Secretory		
	Remuneration Paid	9,07,356	8,29,920
	Mr. Aditya N.Patel : Relative of Director		
	Remuneration Paid	9,46,010	9,04,130
	Mrs. Ameeta J.Desai		
	Rent Paid	8,40,000	-
	Mr. Jay Shroff		
	Rent Paid	8,81,160	-
D)	**Propack Industries (Prop.Kunal Plastics Pvt.Ltd.)**		
	Sales of Goods	26,27,083	31,54,276
	Purchase of Goods	41,37,769	70,12,121
	Render Services	20,53,394	2,75,133
	Receiving Services	10,04,867	12,91,238
	Balance Receivable	-	13,38,943
	Balance Payable	1,50,064	8,28,356

Transactions with KMP

Sr No	Particulars	2020-21	2019-20
	Short Term benefits	1,27,73,461	1,63,41,334
	Post employment benefits	-	-
	Other Long term benefits	-	-
	Termination benefits	-	-
	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 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.

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March,2021

30 (i) **Capital Commitments**

Particulars	Year ended As at 31 March, 2021	 As at 31 March, 2020
On account of Capital Commitments (Net of advances)	1,41,660	18,91,086
TOTAL	**1,41,660**	**18,91,086**

(ii) **Contingent liabilities**

Particulars	Year ended As at 31 March, 2021	 As at 31 March, 2020
On account of Income Tax / Sales Tax and Service Tax demand under contest	0	43,834
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	72,91,430	-
TOTAL	**72,91,430**	**43,834**

Ecoplast Limited
Notes Forming Part of Financial Statements for the year ended 31st March,2021

31 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,2021

32 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

Amount Outstanding		Maximum Balance outstanding during the year end		Investment by Subsidiary in Shares of the Company	
As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
-	15,65,494	15,65,494	15,65,494	Nil	Nil

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 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, 2021 is Rs.23,70,357 (31st March, 2020: Rs. 3,58,932). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	31,29,856	6,92,832
Later than one year but not later than five years	43,35,540	6,69,880
More than five years	-	-
Total minimum lease commitments	**74,65,396**	**13,62,712**

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:

Particulars	As at March 31, 2021	As at March 31, 2020
a) The gross amount required to be spent by the Company during the year 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	10,00,000	-

37 Event occurring after Balance Sheet date:

Due to inadequacy of profit and to conserve the resources of the company for future use, Board of Directors have not recommended any Dividend for the year ended 31st March,2021.
(Previous Year Rs.1.50 per Equity Share resulted in to total Outgo of Rs. 45,00,000/-.)

38 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 13 th May, 2021.

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**	
	MUKUL DESAI Chairman **DIN 00015126**	**JAYMIN B. DESAI** Managing Director **DIN 00156221**
MAYANK Y. DESAI Partner Membership No : 108310 UDIN:21108310AAAAGH5267		
	ANTONY ALAPAT Company Secretary	**M.D.DESAI** C.F.O.
Place: Surat Date:22nd May 2021	Place: Mumbai Date : 13 th May,2021	Place: Valsad

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, 2021, 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, 2021 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.

Management's Responsibilities for 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 Boards of Directors of the Holding Company 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.

Other matters

We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 77.80 Lakhs and net assets of Rs.75.37 Lakhs as at March 31, 2021, and total revenues of Rs.47.92 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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 2021 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 2021 from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting 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 Group does not have any pending litigations which would impact its financial position.

      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.

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

Mayank Y. Desai
Partner
Membership No. :- 108310
UDIN :- 21108310AAAAGI8294

Date :- 22nd May, 2021
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 Over Financial Reporting 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, 2021, 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

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

Other Matters
Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the Subsidiary Company, is based on the report of the auditors of Subsidiary 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, 2021, 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 :- 21108310AAAAGI8294

Date :- 22nd May, 2021
Place :- Surat

ECOPLAST LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2021
CIN : L25200GJ1981PLC004375

Amount (Rs.)

	Particulars	Note No	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	2	16,56,28,079	17,95,68,653
	(b) Capital work-in-progress	2	64,88,786	64,02,786
	(c) Goodwill on consolidation	3	-	-
	(i) Loans	4	19,70,534	18,01,061
	(d) Other non-current assets	5	1,01,62,801	83,85,998
			18,42,50,199	**19,61,58,498**
(2)	**Current assets**			
	(a) Inventories	6	10,22,58,981	10,50,13,047
	(b) Financial Assets			
	(i) Trade Receivables	7.1	20,17,18,825	20,78,25,361
	(ii) Cash and cash equivalents	7.2	9,43,569	21,88,082
	(iii) Bank balances other than (iii) above	7.3	36,11,838	21,44,094
	(iv) Loans	7.4	21,33,637	32,03,314
	(v) Other financial assets	7.5	12,76,438	47,29,068
	(c) Other current assets	8	1,08,48,180	1,31,74,402
	(d) Assets classified as held for Sale	9	70,53,364	71,16,483
	Total current assets		**32,98,44,833**	**34,53,93,851**
	TOTAL ASSETS		**51,40,95,032**	**54,15,52,349**
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	10	3,00,00,000	3,00,00,000
	(b)Other Equity	11	28,74,60,783	28,90,97,083
	Total equity		**31,74,60,783**	**31,90,97,083**
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	12	4,61,27,112	3,51,26,228
	(ii) Other Financial Liabilities	12.1	25,17,263	10,63,392
	(b) Provisions	13	72,93,657	64,24,070
	(c) Deferred tax liabilities (Net)	14	39,25,835	48,19,689
	Total non current liabilities		**5,98,63,867**	**4,74,33,380**
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15.1	80,00,000	7,67,94,515
	(ii) Trade payables	15.2	-	-
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		16,37,183	12,65,941
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		8,33,40,415	7,55,69,695
	(iii) Other financial liabilities	15.3	3,11,38,343	1,56,00,439
	(b) Other current liabilities	16	89,69,898	28,25,090
	(c) Provisions	17	36,84,542	29,66,207
	Total current liabilities		**13,67,70,382**	**17,50,21,886**
	TOTAL EQUITY AND LIABILITIES		**51,40,95,032**	**54,15,52,349**

The accompanying notes from 1 to 38 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 :- 21108310AAAAGI8294

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13th May,2021

Place : Valsad

ECOPLAST LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021
CIN : L25200GJ1981PLC004375

Amount (Rs.)

	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from Operations	18	75,66,30,028	98,64,35,109
II	Other Income	19	82,86,669	1,49,19,914
III	**TOTAL INCOME (I+II)**		76,49,16,698	1,00,13,55,023
IV	Expenses			
	Cost of materials consumed	20	52,53,94,799	65,18,55,296
	Changes in inventories of finished goods, stock in trade and work-in-progress	21	52,65,792	1,12,78,737
	Employee benefits expense	22	8,54,27,378	9,75,95,167
	Finance costs	23	1,13,13,254	87,79,710
	Depreciation and amortization expense	2	2,73,05,133	2,46,57,760
	Other expenses	24	10,72,90,033	14,45,18,618
	Impairment Loss	3	-	1,13,94,805
	TOTAL EXPENSES (IV)		76,19,96,390	95,00,80,092
V	**Profit/(loss) before tax (III-IV)**		29,20,308	5,12,74,931
VI	Tax expense:			
	(1)Current tax		(19,04,000)	(1,59,20,000)
	(2)Deferred tax		9,06,536	6,90,189
	(3)Tax in respect of Earlier Years		1,07,146	(7,50,314)
VII	**Profit/(loss) for the year**		**20,29,990**	**3,52,94,806**
VIII	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss		(1,92,460)	(12,19,741)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(53,542)	(3,39,332)
IX	**Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**17,83,989**	**3,37,35,734**
X	Earnings per equity share [Nominal value per share Rs.10]			
	(1)Basic		0.68	11.76
	(2)Diluted		0.68	11.76

The accompanying notes from 1 to 38 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 :- 21108310AAAAGI8294

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13th May,2021

Place : Valsad

ECOPLAST LTD

Consolidated Cash Flow Statement for the year ended 31st March, 2021

CIN : L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2021 Amount (Rs.)		For the year ended 31st March, 2020 Amount (Rs.)	
A. Cash flow from operating activities				
Net Profit before Tax as per Statement of Profit and Loss		29,20,308		5,12,74,930
Adjustments for:				
Depreciation and amortization and impairment	2,73,05,133		3,60,52,565	
(Profit) / loss on sale / write off of assets (net)	(1,40,351)		(1,75,846)	
Finance costs	1,13,13,254		87,79,710	
Interest income	(2,73,734)		(6,48,824)	
Other Comprehensive Income	(1,92,460)		(12,19,741)	
Liabilities / provisions no longer required written back	(8,760)		(7,93,680)	
Provision for doubtful trade and other receivables, loans and advances	8,99,305		-	
		3,89,02,387		4,19,94,184
Operating profit before working capital changes		4,18,22,695		9,32,69,114
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	27,54,066		1,73,48,288	
Trade receivables	52,07,231		(3,85,97,528)	
Short-term loans and advances	10,69,677		8,42,983	
Long-term loans and advances	(1,69,473)		72,93,835	
Other current financial assets	34,52,630		(27,28,258)	
Other non current assets	(17,76,803)		(9,81,091)	
Other current assets	23,26,222		11,71,293	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	81,41,963		(2,17,733)	
Other current liabilities	61,44,808		(32,59,820)	
Other current financial liabilities	1,70,00,535		62,34,547	
Other non current liabilities	1,07,146		(32,88,693)	
Short-term provisions	7,18,335		(6,40,029)	
Long-term provisions	8,69,587		(4,06,650)	
		4,58,45,924		(1,72,28,856)
		8,76,68,619		7,60,40,258
Cash generated from operations		8,76,68,619		7,60,40,258
Net income tax (paid) / refunds		(19,04,000)		(1,59,20,000)
Net cash flow from / (used in) operating activities (A)		**8,57,64,619**		**6,01,20,258**
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(1,25,22,146)		(7,88,14,145)	
Proceeds from sale of fixed assets	3,13,911		(8,47,133)	
Interest received				
- Others	2,73,734		6,48,824	
		(1,19,34,502)		(7,90,12,454)
		(1,19,34,502)		(7,90,12,454)
Net cash flow from / (used in) investing activities (B)		**(1,19,34,502)**		**(7,90,12,454)**

ECOPLAST LTD
Consolidated Cash Flow Statement for the year ended 31st March, 2021

Particulars	For the year ended 31st March, 2021 Amount (Rs.)		For the year ended 31st March, 2020 Amount (Rs.)	
C. Cash flow from financing activities				
Proceeds / (Repayment) of long-term borrowings	1,10,00,884		2,67,11,228	
Net increase / (decrease) in Short term borrowings	(6,87,94,515)		42,05,911	
Finance cost	(1,13,13,254)		(87,79,710)	
Dividends paid	(45,00,000)		(45,00,000)	
Tax on dividend	-		(9,24,990)	
		(7,36,06,885)		1,67,12,439
Net cash flow from / (used in) financing activities (C)		**(7,36,06,885)**		**1,67,12,439**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**2,23,232**		**(21,79,757)**
Cash and cash equivalents at the beginning of the year		43,32,175		65,11,932
Cash and cash equivalents at the end of the year		**45,55,407**		**43,32,175**
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		2,90,832		3,46,219
(b) Balances with banks				
(i) In current accounts		6,52,737		18,41,862
(ii) In earmarked accounts (Refer Note (2) below)		36,11,838		21,44,094
		45,55,407		**43,32,175**

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 38 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 :- 21108310AAAAGI8294

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Surat
Date : 22nd May 2021

Place : Mumbai
Date : 13th May,2021

Place : Valsad

ECOPLAST LIMITED
CIN : L25200GJ1981PLC004375

Statement of Changes in Equity for the year ended 31st March, 2021

a. **Equity Share Capital:**

Particulars	Amount
Balance as at the 31 March 2020	3,00,00,000
Changes in equity share capital during 2020-21	-
Balance as at the 31 March 2021	3,00,00,000

b. **Other Equity:**

Particulars	Reserves and Surplus			Other Comprehensive Income (OCI)	Total Equity
	General Reserve	Share Premium	Retained Earnings		
As at 31st March, 2019	**5,07,81,315**	**3,00,00,000**	**18,34,57,891**	(34,52,867)	**26,07,86,339**
Profit for the year	-	-	3,52,94,807		3,52,94,807
Other comprehensive income for the year	-	-			-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-		(15,59,073)	(15,59,073)
Additions/deletions during the year			-		-
					-
Corporate Dividend			(45,00,000)		(45,00,000)
Corporate Dividend Tax			(9,24,990)		(9,24,990)
					-
As at 31st March, 2020	**5,07,81,315**	**3,00,00,000**	**21,33,27,708**	**(50,11,940)**	**28,90,97,083**
Profit for the year			31,09,703		31,09,703
Other comprehensive income for the year					-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect				(2,46,002)	(2,46,002)
					-
Corporate Dividend			(45,00,000)		(45,00,000)
Corporate Dividend Tax			-		-
					-
As at 31st March, 2021	**5,07,81,315**	**3,00,00,000**	**21,19,37,411**	**(52,57,942)**	**28,74,60,784**

The accompanying notes from 1 to 38 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 :- 21108310AAAAGI8294

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13 th May,2021

Place : Valsad

Ecoplast Ltd.

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:

Name	:	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 Rupee, 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 assets;
→ 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.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investment in subsidiary. The Company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

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

1.4.1. 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 Value

→ 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. **Defined Contribution Plans**

→ **<u>Superannuation :</u>**

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.

→ **<u>Employee's Family Pension :</u>**

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.

→ **<u>Provident Fund:</u>**

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**

→ **<u>Gratuity :</u>**

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.

→ **<u>Compensated Absences :</u>**

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 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 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) 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 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 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 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, 2021

Note 2: 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 , 2019	50,96,185	4,18,44,837	13,46,58,468	19,51,794	30,27,130	57,24,918	19,23,03,332
Additions	-	1,05,46,523	6,29,42,025	3,31,566	61,38,633	9,57,554	8,09,16,302
Deletions ****	-	-	76,054	14,217	5,47,869	64,748	7,02,888
Gross Carrying value as on March 31 , 2020	50,96,185	5,23,91,360	19,75,24,439	22,69,143	86,17,894	66,17,725	27,25,16,746
Additions	-	2,51,762	38,52,876	1,05,552	-	16,19,369	58,29,558
Deletions ****	-	-	-	-	15,26,224	1,83,442	17,09,666
Gross Carrying value as on March 31 , 2021	50,96,185	5,26,43,122	20,13,77,315	23,74,695	70,91,670	80,53,652	27,66,36,639
Accumulated depreciation as on March 31, 2019	-	55,58,959	5,37,45,369	4,27,011	16,00,815	23,65,782	6,36,97,936
Depreciation charge for the year	-	21,75,825	1,93,66,959	2,35,744	12,76,797	12,99,634	2,43,54,959
Depreciation charged upto disposal	-	-	97,028	-	5,12,061	48,260	6,57,349
Accumulated depreciation as on March 31, 2020	-	77,34,784	7,30,15,300	6,62,756	23,65,550	36,17,156	8,73,95,546
Depreciation charge for the year	-	21,22,161	2,06,87,741	2,50,418	9,66,451	13,38,397	2,53,65,167
Depreciation charged upto disposal	-	-	1,52,918	-	14,35,985	1,63,249	17,52,152
Accumulated depreciation as on March 31, 2021	-	98,56,945	9,35,50,122	9,13,173	18,96,016	47,92,304	11,10,08,561
Carrying value							
At 31st March,2019	50,96,185	3,62,85,878	8,09,13,099	15,24,783	14,26,315	33,59,137	12,86,05,397
At 31st March,2020	50,96,185	4,46,56,576	12,45,09,140	16,06,388	62,52,344	30,00,569	18,51,21,201
At 31st March,2021	50,96,185	4,27,86,178	10,78,27,193	14,61,522	51,95,654	32,61,348	16,56,28,079

****** Value of Assets classified as Held for Sale shown separately in Note 9**

Gross Block include Rs.24,46,449 on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.

Buildings include Rs.250 being cost of 5 shares of Rs.50 each in Riddhi Premises Co-operative Housing Society Ltd.

Assets are mortgaged / hypothecated as security for borrowing

The above note of PPE includes right-of-use asset amounting to INR 62,30,3557 (PY : INR 15,63,935). The Company's leases of building for warehouse facilities and office premises.

Capital work-in-progress

Carrying amount	As at 31st March, 2021	As at 31st March, 2020
Capital work-in-progress	64,88,786	64,02,786

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

3 Goodwill on consolidation

Particulars	As at 31st March, 2021	As at 31st March,2020
Goodwill on consolidation	-	1,13,94,805
Less : Impairment for the year	-	1,13,94,805
Total	**-**	**-**

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

4 LOANS

Particulars	As at 31st March, 2021	As at 31st March,2020
Loans Receivables Considered Good-Unsecured		
Security deposits	17,46,677	11,78,287
Loans and advances to employees	2,23,857	6,22,774
Total	**19,70,534**	**18,01,061**

5 OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March,2020
Prepaid Expenses	5,59,034	5,87,993
Capital Advances	6,30,060	6,66,880
Advance income tax net of provisions	89,05,413	70,48,535
CST & VAT receivable on Assessment	68,294	82,590
Total	**1,01,62,801**	**83,85,998**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

6 INVENTORIES

Particulars	As at 31st March, 2021	As at 31st March,2020
Raw materials	6,40,96,629	5,19,15,708
Raw-Materials in-transit	95,90,917	1,94,60,234
Work-in-progress	1,18,96,892	1,58,60,170
Finished goods	45,80,464	1,34,76,727
Finished Goods in-transit	91,47,341	15,53,592
Stores , Spares and Packing Materials.	28,94,949	26,36,377
Others - Scrap	51,789	1,10,239
Total	**10,22,58,981**	**10,50,13,047**

Footnote:
(i) The mode of valuation has been stated in Note 1.10.1
(ii) Inventories have been hypothecated as security for borrowings

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

7.1 TRADE RECEIVABLES

Particulars	As at 31st March, 2021	As at 31st March,2020
(i) Trade Receivables Considered Good-Unsecured	19,79,86,414	20,64,58,130
(ii) Trade Receivables which have a significant increase in Credit Risk	37,32,411	13,67,231
(iii) Trade receivable -credit Impaired	14,24,271	5,24,967
Less: Allowance for credit loss	(14,24,271)	(5,24,967)
Total	**20,17,18,825**	**20,78,25,361**

Includes Trade receivable from Related Parties : Rs. nil /- (Previous Year Rs.13,38,943/-) Refer Note No. 29

7.2 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2021	As at 31st March,2020
(i) Balances with banks		
In current accounts	6,52,737	18,41,862
(ii) Cash in hand	2,90,832	3,46,219
Total	**9,43,569**	**21,88,082**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

7.3 BANK BALANCES

Particulars	As at 31st March, 2021	As at 31st March,2020
In Fixed Deposit Accounts, held as margin money against Letter of Credit	27,51,143	12,81,143
Unpaid dividend accounts	8,60,695	8,62,951
Total	**36,11,838**	**21,44,094**

7.4 LOANS (CURRENT)

Particulars	As at 31st March, 2021	As at 31st March,2020
Loans receivables considered good - unsecured		
GST/Cenvat credit receivable	14,36,826	16,19,296
Loans and Advances to employees	6,96,811	15,84,018
	-	-
Total	**21,33,637**	**32,03,314**

7.5 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2021	As at 31st March,2020
Interest accrued on Fixed Deposits with Banks & Other Deposits	1,99,419	4,35,912
Discount Receivable	10,77,019	42,93,156
Total	**12,76,438**	**47,29,068**

8 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March,2020
TDS Refund Receivable	3,60,814	3,60,814
GST-Refund Receivable - Export	3,98,320	3,99,381
GST-Sales In Transit	3,15,709	-
Prepaid Gratuity	-	11,51,452
Prepaid expenses	36,51,690	34,09,615
Advance to Trade Payables	59,87,760	76,01,363
Cenvat credit receivable	31,656	24,536
Income Tax Refunds Due	1,02,232	2,27,241
Total	**1,08,48,180**	**1,31,74,402**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

9 ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at 31st March, 2021	As at 31st March,2020
Property, plant and equipment Plant and machinery retired from active use (Refer Note 9.1)	70,53,364	71,16,483
TOTAL	**70,53,364**	**71,16,483**

9.1: The Company has classified a non-current asset 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 surrended various licenses required for the said acitivies on 7th December, 2019, pending the decision for future course of actions . A Company has measured a non-current asset classified as held for sale at Carrying amount only which is lower than fair value less cost of sale.

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

10 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2021	As at 31st March,2020
Authorised		
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000
15,00,000 Equity Shares of Rs.10/- each	1,50,00,000	1,50,00,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs. 10/- each fully paid up	3,00,00,000	3,00,00,000
Total	**3,00,00,000**	**3,00,00,000**

Notes:

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

i)

Authorised share capital:	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 31st March,2020	**1,00,00,000**	**10,00,00,000**
Add / (Less): Changes during the year		-
Balance as at 31st March,2021	**1,00,00,000**	**10,00,00,000**

Issued, Subscribed and paid up share capital:	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 31st March,2020	**30,00,000**	**3,00,00,000**
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2021	**30,00,000**	**3,00,00,000**

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 reamining 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
Mrs Amita J.Desai		
As at 31st March, 2020	18.07%	5,42,246
As at 31st March, 2021	**18.07%**	**5,42,246**
Mrs Charulata N.Patel		
As at 31st March, 2020	13.36%	4,00,752
As at 31st March, 2021	**13.36%**	**4,00,752**
Stuti J.Desai		
As at 31st March, 2020	1.57%	47,116
As at 31st March, 2021	**5.20%**	**1,55,960**
Silver Stream Properties LLP		
As at 31st March, 2020	15.89%	4,76,827
As at 31st March, 2021	**15.89%**	**4,76,827**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

11 OTHER EQUITY

Particulars	As at 31st March, 2021	As at 31st March,2020
(a) Securities premium		
Balance as per last Balance Sheet	3,00,00,000	3,00,00,000
Closing Balance	**3,00,00,000**	**3,00,00,000**
(b) General reserve		
Balance as per last Balance Sheet	5,07,81,315	5,07,81,315
Closing Balance	**5,07,81,315**	**5,07,81,315**
(c)Retained Earnings		
Balance as per last Balance Sheet	21,33,27,708	18,34,57,891
Add: Profit for the year	31,09,703	3,52,94,807
	21,64,37,411	**21,87,52,698**
Less: Appropriations		
Payment of final Dividend to equity shareholders (Rs 1.50 per share)	45,00,000	45,00,000
Payment of Dividend distribution tax on final dividend	-	9,24,990
Closing Balance	**21,19,37,411**	**21,33,27,708**
(d)Other Comprehensive income		
Balance as at beginning of the year	(50,11,941)	(34,52,867)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	(2,46,002)	(15,59,073)
	(52,57,943)	**(50,11,940)**
Total	**28,74,60,783**	**28,90,97,083**

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.

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

12 NON CURRENT BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March,2020
Secured		
Term Loans		
Bank of Baroda Term Loan - Total	4,33,59,693	3,15,25,066
Car Loan under Hire Purchase	27,67,419	36,01,162
Total	**4,61,27,112**	**3,15,25,066**

Details:

i) The above are valued at Amortized cost.

ii) The above Loans are Secured by Equitable Mortgage of Land & Factory Building of the Company at Abrama-Valsad, Office Premises at Andheri (East) Mumbai & hypothecation of Plant and Machineries, Electrical Installations, Furniture & Fixtures, Office Equpments and Other Movable Fixed Assets of the Company, both present and future and hypothecation of raw materials ,stock in process, Stores & Spares, packing materials and finished goods and book debts of the Company both present and future and further secured by personal guarantee of Managing Director

iii) **Interest Rate Profile of Term Loans & Deposits are set out as below:**

Particulars	Rate of Interest (p.a.)	Amount in Rs.
Term Loan from Bank	9.50%	14,32,974
Term Loan from Bank	9.50%	2,38,73,388
Term Loan from Bank	7.65%	23,45,000
Term Loan from Bank	8.00%	1,57,08,331
Car Loan under Hire Purchase	8.30%	27,67,419
		4,61,27,112

iv) **Maturity Profile of Term Loans & Deposits is set out below:**

Particulars	Maturity Profile (Amount in `)		
	1-2 years	**3-4 years**	**> 4 years**
Term Loan from Bank & Others	2,93,02,988	1,68,24,124	-

12.1 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March,2020
Lease rent Liability	25,17,263	10,63,392
Total	**25,17,263**	**10,63,392**

13 PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March,2020
Provision for employee benefits:		
Provision for compensated absences	71,48,665	64,24,070
Provision for gratuity	1,44,992	-
Total	**72,93,657**	**64,24,070**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

14 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2021	As at 31st March,2020
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	1,06,93,062	95,08,178
Amortisation of government grant	-	81,720
	-	-
Tax effect of items constituting deferred tax liability	1,06,93,062	95,89,898
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	30,02,236	26,09,961
Provision for doubtful debts / advances	3,96,232	2,53,865
Provision for diminution in the value of investments	15,86,049	15,86,049
On Account of Retiring Gratuity	-	3,20,334
Adjustment to Right to use asset	17,82,710	-
Tax effect of items constituting deferred tax assets	67,67,227	47,70,208
	-	
Net deferred tax Liability / (Asset)	(39,25,835)	(48,19,689)

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

15.1 BORROWINGS (SHORT TERM)

Particulars	As at 31st March, 2021	As at 31st March,2020
Loans repayable on demand		
From banks		
Secured (9.6%)	-	6,87,94,515
From Others - Unsecured		
Inter Corporate Deposits(11.25%)	80,00,000	80,00,000
Total	**80,00,000**	**7,67,94,515**

(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 Office Premises at Andheri (East) Mumbai, hypothecation of Plant and Machineries, Electrical Installations, Furniture & Fixtures, Office Equpments and guaranteed by Managing Director)

(ii) The above are valued at Amortized cost.

15.2 TRADE PAYABLES

Particulars	As at 31st March, 2021	As at 31st March,2020
Trade payables:		
Micro, Small and Medium Enterprises	16,37,183	12,65,941
Trade Payable to Related Party	1,50,064	8,28,356
Others	8,31,90,351	7,47,41,336
Total	**8,49,77,598**	**7,68,35,633**

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

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2021 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	As at 31st March, 2021	As at 31st March,2020
Principal Amount due and remaining unpaid	16,37,183	12,65,941
Interest due on above and the unpaid interest	53,418	6,483
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	68,90,111	14,27,749
Interest due and payable for the period of delay	53,418	6,483
Interest accrued and remaining unpaid	53,418	6,483
Amouont of further interest remaining due and payable in succeeding years	53,418	41,904

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.

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

15.3 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March,2020
Current maturities of long-term Secured Debts (Refer Note No. 12)	2,63,68,845	1,41,76,409
Unclaimed dividends	8,60,034	8,62,290
Unclaimed matured deposits and interest accrued thereon	18,710	18,710
Lease rent Liability	38,90,754	5,42,430
Total	**3,11,38,343**	**1,55,99,839**

16 OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2021	As at 31st March,2020
Other payables		
Statutory dues payable	16,00,334	8,34,814
Advances from customers	57,87,499	14,60,901
Others -Net Salaries & Wages Payable	15,82,065	5,29,376
Total	**89,69,898**	**28,25,090**

17 PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March,2020
Provision for employee benefits:		
Provision for bonus	28,48,345	22,67,653
Provision for compensated absences	7,50,523	6,22,399
Provision for gratuity	85,673	76,154
Total	**36,84,541**	**29,66,206**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

18 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sale of products		
Manufactured goods		
Plastic Film	73,42,55,930	96,46,61,105
Others	53,94,866	27,80,338
Traded goods		
Others	95,38,847	1,26,37,778
Other operating revenues		
Sale of Scrap	18,11,583	22,84,256
Render Services	56,28,803	40,71,632
Total	**75,66,30,028**	**98,64,35,109**

Footnote:

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, 2021	For the year ended 31st March, 2020
Revenue as per contracted price	76,98,69,863	99,82,18,800
Adjustments		
Sales return	28,52,628	1,00,41,012
Sales Price/ Quantity Difference/ Quality claims	88,39,547	5,09,665
Development Cost - free Samples	2,14,729	3,81,915
Discounts	13,32,931	8,51,099
Revenue from contract with customers	**75,66,30,028**	**98,64,35,109**

19 OTHER INCOME

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income		
Interest from banks on Fixed Deposits	1,25,221	94,537
Interest Received-Security Deposit-APDCL	83,708	-
Interest on Deposit with Dakshin Gujarat Vij Co Ltd. & Others	-	4,09,082
Interest on Employees Loan	56,124	1,31,085
Interest on Income Tax Refund	8,681	14,120
Other non-operating income		
Profit on sale of fixed assets	1,40,351	1,75,846
Excess Provision of Gratuity	7,59,483	1,50,515
Liabilities / provisions no longer required written back (net)	8,760	6,43,165
Insurance Claim Received	3,62,875	2,69,968
Gain on foreign currency transactions and translation (net)	32,17,515	47,92,230
Central Excise PLA Refund	-	3,97,113
Supervision Charges	91,931	-
Miscellaneous income	13,73,117	17,93,585
Sundry Creditors W.back/ W.off	9,393	2,105
Export Incentive - MEIS Duty Script	20,49,511	31,97,362
Amortisation of government grant	-	28,49,201
Total	**82,86,669**	**1,49,19,914**

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

20 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Stock	5,20,26,256	5,26,40,201
Add: Purchases	53,75,17,270	65,12,41,351
Less: Closing Stock	6,41,48,727	5,20,26,256
Purchases Includes Rs. 56,43,374/- for Traded Goods (Previous year Rs.42,15,161/-)	-	-
Total Cost of materials consumed	**52,53,94,799**	**65,18,55,296**

21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the end of the year:		
Finished goods	1,37,27,805	1,50,30,319
Work-in-progress	1,18,96,892	1,58,60,170
	2,56,24,697	3,08,90,489
Inventories at the beginning of the year:		
Finished goods	1,50,30,319	3,03,21,798
Work-in-progress	1,58,60,170	1,18,47,428
	3,08,90,489	4,21,69,226
Net (increase) / decrease	**52,65,792**	1,12,78,737

22 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages, Bonus and Other Allowances	7,59,56,135	8,60,94,665
Contributions to Provident and other funds	85,57,173	95,51,052
Staff Welfare expenses	9,14,070	19,49,450
Total	**8,54,27,378**	**9,75,95,167**

Footnote:

Contribution to Provident and other funds includes contribution to Provident fund for directors Rs.4,89,543 (For 31st March, 2020: Rs. 7,74,000)

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

23 FINANCE COSTS

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense	90,47,854	62,08,315
Other Borrowing costs	22,65,400	25,71,395
Total	**1,13,13,254**	**87,79,710**

24 OTHER EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of Stores and Spare parts	9,14,124	17,65,416
Consumption of Packing Materials	1,88,75,493	2,57,25,617
Consumption of Printing Cylinders	16,56,212	37,63,520
Power and fuel	4,16,40,724	5,07,45,399
Conversion Charges Paid	62,834	1,58,005
Repairs and Maintenance - Buildings	7,01,522	19,05,776
Repairs and Maintenance - Machinery	37,43,434	84,24,119
Repairs and Maintenance - Others	5,35,916	7,85,463
Insurance	44,92,141	43,68,513
Rates and taxes	2,53,872	2,55,663
Communication	7,46,846	8,90,561
Travelling and Conveyance	6,56,373	54,55,039
Printing and Stationery	6,98,727	10,84,008
Freight and forwarding	1,44,65,237	1,80,66,224
Sales Commission	10,53,198	7,54,156
Sales discount	2,78,209	66,067
Business promotion	14,999	1,20,923
Donations and contributions	3,00,000	3,15,101
CSR Expenditure	10,00,000	-
Motor Car Expenses	7,07,256	6,62,958
Security Charges	25,04,453	20,15,654
Directors Sitting Fees	9,00,000	5,90,000
Commission to Non-Executive Directors	24,140	6,25,515
Legal and Professional	49,63,847	60,33,803
Payments to Auditors	6,95,319	7,60,811
Amortization of Goodwill on consolidation	-	7,54,886
Rent including lease rentals	71,399	60,585
Bad Trade Receivables	-	5,43,137
Provision for doubtful trade receivables	8,99,305	4,795
Other Miscellaneous Expenses	44,34,452	78,16,906
Total	**10,72,90,033**	**14,45,18,614**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payments to the auditors comprises		
(a) To statutory auditors		
Audit Fees	4,20,000	4,20,000
Tax Audit Fees	80,000	80,000
Certification and Other Services	1,42,500	1,50,000
Reimbursement of Expenses	52,819	1,10,811
Total	6,95,319	7,60,811

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

25 Earnings per share (EPS)

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

i. Profit attributable to Equity holders of Company

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit attributable to equity holders of the company for basic and diluted earnings per share	20,29,990	3,52,94,806

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
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)	**0.68**	**11.76**

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

26 Tax Expense

(a) Amounts recognised in profit and loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense		
Current year	19,04,000	1,59,20,000
Short/(Excess) provision of earlier years	(1,07,146)	7,50,314
Deferred tax expense		
Origination and reversal of temporary differences	(9,06,536)	(6,90,189)
Tax expense recognised in the income statement	**8,90,318**	**1,59,80,124**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(1,92,460)	(53,542)	(2,46,002)	(12,19,741)	(3,39,332)	(15,59,073)
Equity Instruments through Other Comprehensive Income			-			-
	(1,92,460)	**(53,542)**	**(2,46,002)**	**(12,19,741)**	**(3,39,332)**	**(15,59,073)**

(c) Reconciliation of effective tax rate -

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	%	Amounts	%	Amounts
Profit before tax		29,20,308		5,12,74,930
Less: Profit of subsidiary on which tax is not payable		4,26,982		(17,71,290)
Net profit on which tax is payable		33,47,290		4,95,03,640
Tax using the Company's domestic tax rate	27.82%	9,25,449	27.82%	1,37,71,913
Tax effect of:				
Expenses not deductible for tax purposes	29.23%	9,78,551	4.34%	21,47,774
Short/(Excess) provision of earlier years				
Income exempt from Income taxes		(1,07,146)		7,50,314
Tax due to change in tax rate				
Others	-27.08%	(9,06,536)	-1.39%	-6,90,189
Effective income tax rate	**29.97%**	**8,90,318**	**30.76%**	**1,59,79,811**

(d) Movement in deferred tax

Particulars	As at 31st March, 2020				As at 31st March, 2021		
	Net balance 31 Mar, 2020	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	95,08,178	11,84,885			1,06,93,062		1,06,93,062
Loan to subsidiary	-	-			-		-
Financial Guarantee	-	-			-		-
Amortisation of government grant	81,720	(40,860)	(40,860)		-		
Provision for compensated absences, gratuity and other employee benefits	(26,09,961)	(4,45,817)	53,542		(30,02,236)	30,02,236	
Provision for doubtful debts / advances	(2,53,865)	(1,42,367)			(3,96,232)	3,96,232	
Provision for diminution in the value of investments	(15,86,049)	-			(15,86,049)	15,86,049	
On Account of Retiring Gratuity	(3,20,334)	3,20,334			-	-	
Adjustment to Right to use asset		(17,82,710)			(17,82,710)	17,82,710	
Tax assets (Liabilities)	**48,19,689**	**(9,06,536)**	**12,682**		**39,25,835**	**67,67,227**	**1,06,93,062**
Reversal of Opening DTL	-				-	-	**-**
Tax assets (Liabilities) (Net)	**48,19,689**	**(9,06,536)**	**12,682**		**39,25,835**	**67,67,227**	**1,06,93,062**

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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 conditions.

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

Particulars	**As at 31st March, 2021**	**As at 31st March, 2020**
Borrowings	4,61,27,112	3,51,26,228
Less: Cash and bank balances	9,43,569	21,88,082
Net debts	4,51,83,543	3,29,38,147
Total equity	31,74,60,783	31,90,97,083
Net debt to equity ratio	14.23%	10.32%

B Fair value measurement hierarchy:

Particulars	As at 31st March, 2021 Carrying amount	Level of input used in Level 1	Level 2	Level 3	As at 31st March, 2020 Carrying amount	Level of input used in Level 1	Level 2	Level 3
Financial assets	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At FVTOCI	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Trade Receivables	20,17,18,825	-	-	-	20,78,25,361	-	-	-
Cash and cash equivalents	9,43,569	-	-	-	21,88,082	-	-	-
Bank balances other than above	36,11,838	-	-	-	21,44,094	-	-	-
Loans	21,33,637	-	-	-	32,03,314	-	-	-
Other financial assets	12,76,438	-	-	-	47,29,068	-	-	-
Financial liabilities	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Borrowings	5,41,27,112	-	-	-	11,19,20,743	-	-	-
Trade payables	8,49,77,598	-	-	-	7,68,35,636	-	-	-
Other financial liabilities	3,11,38,343	-	-	-	1,56,00,439	-	-	-
	-	-	-	-	-	-	-	-

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, 2020.

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 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.

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 Rs20,17,18,824/- and Rs. 20,78,25,361/- as at March 31, 2021 and March 31, 2020, 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

Particulars	As at 31st March, 2021	As at 31st March, 2020
Not due	15,55,81,141	10,83,95,090
1 - 180 Days	4,24,05,272	9,80,63,040
181-360 Days	24,96,195	13,08,816
361-500 Days	18,14,702	1,65,142
More Than 500 days	8,45,786	4,18,240
Allowance for doubtful trade receivables (Expected credit loss allowance)	(14,24,271)	(5,24,967)
Total	**20,17,18,824**	**20,78,25,361**

Movement in provisions of doubtful debts

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening provision	(5,24,967)	(10,64,079)
Additional provision made		
Provision Reverse	8,99,304	(5,39,112)
Closing provision	**(14,24,271)**	**(5,24,967)**

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.9,43,569 as at 31st March, 2021 (31st March, 2020 : Rs. 21,88,082/-). The cash and cash equivalents are held with banks.

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Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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:

Particulars	As at 31st March, 2020 Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	11,19,20,743	7,67,94,515	3,51,26,228	
Trade and other payables	7,68,35,636	7,68,35,636	-	-
Other financial liabilities	1,56,00,439	1,56,00,439	-	-
		-		
Derivative financial liabilities				-
	20,43,56,818	16,92,30,590	3,51,26,228	-

Particulars	As at 31st March, 2021 Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	5,41,27,112	80,00,000	4,61,27,112	-
Trade and other payables	8,49,77,598	8,49,77,598	-	-
Other financial liabilities	3,11,38,343	3,11,38,343	-	-
Derivative financial liabilities				
	17,02,43,054	12,41,15,942	4,61,27,112	-

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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:

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
In US Dollars (USD)	4,74,897	2,90,936	97,972	90,447
In Euro (EUR)	84,740	4,250	-	-
In AED	-	-	-	-

Particulars	Liabilities (INR)		Assets (INR)	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
In US Dollars (USD)	3,51,88,564	2,20,99,461	71,55,857	67,84,480
In Euro (EUR)	73,79,142	3,57,510	-	-
In AED	-	-	-	-

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% charge 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

Particulars	USD impact	
	As at 31st March, 2021	As at 31st March, 2020
Increase in exchange rate by 5%	(14,01,635)	(7,65,749)
Decrease in exchange rate by 5%	14,01,635	7,65,749

Particulars	Euro impact	
	As at 31st March, 2021	As at 31st March, 2020
Increase in exchange rate by 5%	(3,68,957)	(17,876)
Decrease in exchange rate by 5%	3,68,957	17,876

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 and 15.1

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Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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

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. 45,20,363 (As at 31st March, 2020 : Rs.45,07,330) for Provident Fund contributions and Rs. 26,33,266 (As at 31st March, 2020 : Rs. 30,09,862) 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 acturial 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, 2021.

a) Changes in present value of obligations (PVO)	**Gratuity - Funded**	
	31st March, 2021	**31st March, 2020**
Present Value of Benefit Obligation at the Beginning of the Period	1,93,88,670	1,93,04,555
Interest cost	13,35,879	15,03,825
Past Service Cost	-	-
Current service cost	11,83,319	9,31,874
Benefits paid from the fund	(14,66,922)	(27,27,794)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic	1,12,543	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	(80,621)	(12,68,712)
Actuarial (Gains)/Losses on Obligations - Due to Experience	1,16,716	16,44,922
PVO at the end of the year	**2,05,89,584**	**1,93,88,670**

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b) Fair value of plan assets:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Fair value of plan assets at the beginning of the year	2,05,40,122	2,04,39,695
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	(43,822)	(8,43,531)
Interest income	14,15,214	15,92,252
Contributions by the employer	-	20,79,500
Benefits paid from the fund	(14,66,922)	(27,27,794)
Fair value of plan assets at the end of the year	**2,04,44,592**	**2,05,40,122**

c) Amount to be recognized in the balance sheet:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
PVO at the end of period	2,05,89,584	1,93,88,670
Fair value of plan assets at end of the period	2,04,44,592	2,05,40,122
Funded status (Surplus/(Deficit))	(1,44,992)	11,51,452
Net (Liability)/Asset Recognized in the Balance Sheet	**(1,44,992)**	**11,51,452**

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Current service cost	11,83,319	9,31,874
Net interest Cost	(79,335)	(88,427)
Past Service Cost	-	-
Expense recognized in the statement of profit or loss	11,03,984	8,43,447

e) Other comprehensive income (OCI):	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Actuarial (Gain)/Loss on Obligation for the period	1,48,638	3,76,210
Return on plan assets excluding Interest Income	43,822	8,43,531
Net (Income)/Expense For the Period Recognized in OCI	1,92,460	12,19,741

f) Actual return on the plan assets:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
	13,71,392	7,48,721

g) Category of Assets	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Insurance Fund	2,04,44,592	2,05,40,122

h) Assumption:	Gratuity - Funded	
	31st March, 2021	31st March, 2020
Expected Rate on Plan Assets	6.95%	6.89%
Rate of Discounting	6.95%	6.89%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	2.00%
Mortality Rate during employment	IALM(2006-08)	IALM(2006-08)
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 2.16% (P.Y. by Increased 32.38%) However the total salary increased by 12.71% (P.Y. Increased by 26.58%)during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 8.43% (P.Y. decreased by 1.44%).

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.

j) Expected Payout:

Year	PVO payouts 31st March, 2021	PVO payouts 31st March, 2020
1st Following Year	22,22,402	40,03,702
2nd Following Year	10,85,250	4,50,211
3rd Following Year	29,41,271	7,99,804
4th Following Year	30,64,448	26,33,656
5th Following Year	27,69,039	28,09,379
Sum of years 6 to 10	70,61,769	60,02,315
Sum of years 11 and above	1,74,56,093	1,92,20,713

k) 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.

Particulars	31st March, 2021	31st March, 2020
Projected Benefit Obligation on Current Assumptions	2,05,89,587	1,93,88,670
Delta Effect of +1% Change in Rate of Discounting	(12,57,408)	(12,53,568)
Delta Effect of -1% Change in Rate of Discounting	14,29,645	14,41,134
Delta Effect of +1% Change in Rate of Salary Increase	12,22,117	12,73,013
Delta Effect of -1% Change in Rate of Salary Increase	(10,89,848)	(11,26,926)
Delta Effect of +1% Change in Rate of Employee Turnover	1,06,046	1,05,956
Delta Effect of -1% Change in Rate of Employee Turnover	(1,08,245)	(1,18,957)

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:

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Total employee benefit liabilities			
Other current liabilities	16	(1,44,992)	-
Other current assets	8	-	11,51,452

(h) 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 2021 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.

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Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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.

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

Sr No	Particulars	2020-21	2019-20
a)	**Key Managerial Personnel (KMP)**		
	Managing Director		
	Mr.J.B.Desai		
	Remuneration Paid	54,55,996	1,05,26,100
	Mr. M. B. Desai : Chairman/ Non Executive/Independent Director		
	Sitting Fees Paid	3,00,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mrs. C. N. Patel : Non Executive Director		
	Sitting Fees Paid	2,10,000	80,000
	Commission Paid on Profit	1,56,378	84,114
	Mr. B. M. Desai : Non Executive/Independent Director		
	Sitting Fees Paid	2,80,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mr. D. T.. Desai : Non Executive/Independent Director		
	Sitting Fees Paid	-	-
	Commission Paid on Profit	-	-
	Mr. J. A. Moos : Non Executive/Independent Director		
	Sitting Fees Paid	1,10,000	1,70,000
	Commission Paid on Profit	1,56,378	84,114
	Mr.Atul Baijal : Whole Time Director		
	Remuneration Paid	6,54,277	-
	Others :		
	Mr. M. D. Desai : Chief Finance Officer		
	Remuneration Paid	32,84,310	31,54,728
	Mr. Antony Alapat : Company Secretory		
	Remuneration Paid	9,07,356	8,29,920
	Mr. Aditya N.Patel : Relative of Director		
	Remuneration Paid	9,46,010	9,04,130
	Mrs. Ameeta J.Desai		
	Rent Paid	8,40,000	
	Mr. Jay Shroff		
	Rent Paid	8,81,160	

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B)	**Relatives of KMP**		
C)	Company in which KMP / Relatives of KMP can exercise significant influence		
	Propack Industries (Prop.Kunal Plastics Pvt.Ltd.)		
	Sales of Goods	26,27,083	31,54,276
	Purchase of Goods	41,37,769	70,12,121
	Render Services	20,53,394	2,75,133
	Receiving Services	10,04,867	12,91,238
	Balance Receivable	-	13,38,943
	Balance Payable	1,50,064	8,28,356

Transactions with KMP

Sr No	Particulars	2020-21	2019-20
	Short Term benefits	1,27,73,461	1,63,41,334
	Post employment benefits	-	-
	Other Long term benefits	-	-
	Termination benefits	-	-
	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 sum amounts

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31 (i) Contingent liabilities

Particulars	Year ended	
	As at 31 March, 2021	As at 31 March, 2020
On account of Capital Commitments (Net of advances)	1,41,660	18,91,086
TOTAL	**1,41,660**	**18,91,086**

31 (ii) Contingent liabilities

Particulars	Year ended	
	As at 31 March, 2021	As at 31 March, 2020
On account of Income Tax/ Sales Tax and Service Tax demand under contest	0	43,834
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	72,91,430	0
TOTAL	**72,91,430**	**43,834**

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Notes to Financial Statements for the year ended 31st March 2021

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.

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Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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. 24,41,756 /- (31st March, 2020 : Rs. 4,48,049/-). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Not later than one year	32,01,220	7,64,196
Later than one year but not later than five years	46,20,996	2,85,456
More than five years	29,25,924	29,97,288
Total	**1,07,48,140**	**40,46,940**

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:

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) The gross amount required to be spent by the Company during the year		
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	10,00,000	-

37 Event occurring after Balance Sheet date:

Due to inadequacy of profit and to conserve the resources of the company for future use, Board of Directors have not recommended any Dividend for the year ended 31st March,2021.
(Previous Year Rs.1.50 per Equity Share resulted in to total Outgo of Rs. 45,00,000/-.)

38 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 13 th May, 2021.

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 :- 21108310AAAAGI8294

Place: Surat
Date : 22nd May 2021

For and on behalf of the Board of Directors

MUKUL DESAI
Chairman
DIN 00015126

JAYMIN B. DESAI
Managing Director
DIN 00156221

ANTONY ALAPAT
Company Secretary

M.D.DESAI
C.F.O.

Place: Mumbai
Date : 13th May,2021

Place : Valsad