

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

Monday, August 22, 2022

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

Scrip code: 526703

Sub.: Annual Report for the financial year 2021-22

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the financial year 2021-22.

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

We request you to take the same on record.

Thanking you

Yours faithfully **For Ecoplast Limited**

Rakesh Kumar Kumawat Company Secretary & Compliance Officer

Encl: As above

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

40th Annual Report 2021-22



Ecoplast Limited

Annual Report 2021-22

Board of Directors

Mukul B. Desai -

- Chairman

Jaymin B. Desai

- Managing Director

Dhananjay T. Desai - Director

Bhupendra M. Desai - Director

Charulata N. Patel - Director

Atul J. Baijal

Whole-time Director

Company Secretary &

Compliance Officer

Rakesh Kumar Kumawat

Chief Financial Officer

Vaibhav Kumar Totla

Bankers

Bank of Baroda, Main Branch,

Nani Khatriwad, Valsad 396 001, Gujarat.

Auditors

Y. B. Desai & Associates

Chartered Accountants

1/573, 1st Floor, Gajanand Complex, Por Maholla, Near Anand Hospital,

Nanpura, Surat - 395001.

Share Registrars & Transfer Agents

TSR Consultants Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,

Vikhroli West, Mumbai - 400083

Registered Office

National Highway No.8, Water Works Cross Road,

Abrama, Valsad - 396002. Gujarat. email: investor@ecoplastindia.com

Head Office

Unit No.1309 & 1310,13th Floor, Hubtown Solaris N.S Phadke Road, Andheri (East), Mumbai : 400069.

Website

www.ecoplastindia.com

CIN

L25200GJ1981PLC004375

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NOTICE

Notice is hereby given that the **40th Annual General Meeting** of the members of Ecoplast Limited will be held on Saturday, 24th September 2022 at 12.00 noon at 'Shantivan Resort', Atul-Valsad Road, Vashiyar, Valsad- 396001, Gujarat to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended 31st March 2022, 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 2022, together with the Report of the Auditors thereon.
- 2. To appoint a director in place of Mr. Atul Baijal (DIN: 09046341) who retires by rotation and, being eligible, offers himself for re-appointment.
- 3. To re-appoint the Statutory Auditors and fix their remuneration:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, along with the relevant Rules made thereunder, and based on the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Y.B. Desai & Associates, Chartered Accountants (Firm Registration No. 102368W), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office for a second term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of the 45th Annual General Meeting to be held in the year 2027, on such remuneration and terms and conditions as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to decide and/ or alter the terms and conditions of the appointment including the remuneration for subsequent financial years as it may deem fit."

SPECIAL BUSINESS:

4. To approve revision in the remuneration payment to Mr. Atul Baijal, Whole-time Director of the Company:

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

"RESOLVED THAT pursuant to Sections 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Including any statutory modifications or re-enactment thereof, for the time being in force) and the Special Resolution passed at the 39th Annual General Meeting held on 28th August, 2021, the approval of the Members be and is hereby accorded for revision in remuneration payable to Mr. Atul Baijal (DIN: 09046341), Whole-time Director of the Company w.e.f. 1st April, 2022 for the remaining tenure of his appointment, as set out in the explanatory statement annexed to this notice, 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), 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."

Registered Office:

By Order of the Board

National Highway No. 8, Water Works Cross Road, Abrama, Valsad- 396002, Gujarat CIN: L25200GJ1981PLC004375

Tel: 02632 226157

Rakesh Kumar Kumawat Company Secretary & Compliance Officer

E-mail: investor@ecoplastindia.com Website: www.ecoplastindia.com

Date: 27th May, 2022

Place: Valsad

Notes:

- 1. 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 Annual General Meeting is annexed hereto.
- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND IN HOLDING NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HEREWITH. PROXIES/ AUTHORISED REPRESENTATIONS SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
- 3. 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.
- 4. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 17th September, 2022 to Saturday 24th September, 2022 (both days inclusive).

- 5. Members seeking any information with regard to the Accounts are requested to write to the Company at least seven days prior to the meeting, so as to enable the Management to keep the information ready at the Meeting.
- 6. All correspondence relating to change of address, dividend mandates etc. should be sent to the Registrar & Share Transfer agents quoting their folio numbers only at the following address:
 - M/s TSR Consultants Private Limited (RTA), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083.
- 7. In terms of Section 124 of the Companies Act, 2013 dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred by the Company to the Investor Education and Protection Fund Authority established by the Central Government pursuant to sub-section (1) of Section 125 of the Companies Act, 2013. In terms of Section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been claimed for seven consecutive years or more shall also be transferred by the company to the demat account of Investor Education and Protection Fund Authority. Any claimant of shares transferred as above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund Authority in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in web Form No. IEPF-5 (available on www.iepf.gov.in).
- 8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
- 9. In view of Regulation 40 of the Listing Regulations, as amended with effect from April 1, 2019, securities of listed companies can now be transferred only in the dematerialized form, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are therefore requested to convert their holdings into the dematerialized mode to avoid loss of shares and fraudulent transactions and better investor servicing.
- 10. The Notice of the AGM along with the Annual Report for the FY 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless the Member has requested for a physical copy of the same. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with RTA/ Depositories.
- 11. Members may also note that this Notice of the Annual General meeting and the Annual Report for the year 2021-22 will be also available on the Company's Website: www.ecoplastindia.com for download.
- 12. All documents referred to in the notice of the Meeting and explanatory statement and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 A.M. and 1.00 P.M. except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.

- 13. A route map giving directions to reach the venue of the 40th Annual General Meeting is given at the end of the Notice.
- 14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars and the SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by CDSL.
- 15. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
- 16. Process and manner for remote e-voting are as under:

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

- (i) The voting period begins on Wednesday, 21st September, 2022 (9.00 AM) and ends on Friday, 23rd September, 2022 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, 17th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Voting at the AGM Shall be through physical ballot paper. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

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

Pursuant to abovesaid SEBI Circular, Login method for e-voting for Individual shareholders holding securities in Demat mode is given below:

Type of	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select new system Myeasi.
	2. After successful login the Easi/ Easiest user will be able to see the evoting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/ NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-voting service providers' website directly.
	3. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL Ide-AS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period.
	2) If the user is not registered for Ide-AS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal

	Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

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

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

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

- (v) Login method for e-voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Shareholders other than individual holding shares in Demat Form and				
	Physical Form				
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department				
	(Applicable for both demat shareholders as well as physical shareholders)				
	Shareholders who have not updated their PAN with the Company/				
	Depository Participant are requested to use the sequence number sent by				
	Company/ RTA or contact Company/ RTA.				
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as				
Bank Details	recorded in your demat account or in the company records in order to login.				
OR Date of	• If both the details are not recorded with the depository or company, please				
Birth (DOB)	enter the member id / folio number in the Dividend Bank details field as				
	mentioned in instruction (v).				

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (ix) Click on the EVSN for Ecoplast Limited.
 - (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xvi) Facility for Non Individual Shareholders and Custodians –Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; eco.scrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

- 1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA's i.e. csg-unit@teplindia.co.in
- 2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- 3. For Individual Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting.

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

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

- 17. 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 Saturday 17th September, 2022.
- 18. If a Member casts votes by remote e-voting and at the AGM through Ballot, then vote cast through remote e-voting shall prevail and vote cast through Ballot at the AGM shall be treated as invalid. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- 19. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc. to their Depository Participants only and not to the Company's Registrar and Transfer Agent. Changes intimated to the Depository Participants will be automatically reflected in the Company's records. The Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. TSR Consultants Private Limited or the Company Secretary of the Company, which will

help the Company and its Registrar and Transfer Agent to provide efficient and better service to the members.

- 20. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio
- 21. Members are requested to bring their copies of Annual Report at the meeting along with attendance slip.
- 22. In case of joint holders attending the meeting, the joint holder who is higher in the order of name will be entitled to vote at the meeting.
- 23. Corporate Members intending to send their Authorised Representative to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the Annual General Meeting.
- 24. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evotingindia.com.
- 25. 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 at the AGM in a fair and transparent manner.
- 26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting, scrutinize the vote casted through remote e-voting and voting at the meeting and make not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's 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.
- 27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ecoplastindia.com and on the website of CDSL www.evotingindia.com within two working days of conclusion of the AGM of the Company and communicated to BSE Limited. The results shall also be placed on the notice board at the Registered Office of the Company.

Registered Office:

National Highway No. 8,

Water Works Cross Road, Abrama,

Valsad- 396002, Gujarat

CIN: L25200GJ1981PLC004375

Tel: 02632 226157

E-mail: investor@ecoplastindia.com, Website: www.ecoplastindia.com

Place: Valsad 27th May, 2022

By Order of the Board For Ecoplast Limited

Rakesh Kumar Kumawat Company Secretary & Compliance Officer

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURUSANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("Act")

The following Statement sets out the material facts relating to the Ordinary Business/ Special Business mentioned in the accompanying notice:

ITEM NO. 3:

In accordance with the provisions of Section 139 of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 (the Act) M/s. Y.B. Desai & Associates, Chartered Accountants (Firm Registration No. 102368W), were appointed as the Statutory Auditors of the Company at the 35th Annual General Meeting for a first term of 5 years to hold office up to the conclusion of this Annual General Meeting. M/s. Y.B. Desai & Associates would be completing first term of their appointment at this Annual General Meeting and are eligible for re-appointment for second term of five years.

M/s. Y.B. Desai & Associates have consented to act as Statutory Auditors of the Company up to the 45th Annual General Meeting of the Company and given a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the compliance of the Act and that they are eligible to hold office as Statutory Auditors of the Company.

The Board of Directors at their meeting held on 27th May, 2022 based on the recommendation of the Audit Committee, have recommended the re-appointment of M/s. Y.B. Desai & Associates as the Statutory Auditors of the Company for second term of five years i.e. from the conclusion of this Annual General Meeting till the conclusion of 45th Annual General Meeting to be held in the year 2027, subject to approval of the shareholders of the company in the upcoming AGM.

Terms and conditions of re-appointment as the Statutory Auditors are as under:

- 1. Term of Re-appointment: five years from the conclusion of this AGM till the conclusion of 45th Annual General Meeting to be held in the year 2027.
- 2. The Proposed Remuneration to be paid to the Statutory Auditors: Rs. 4,50,000 Per Annum plus applicable taxes, travelling and other out of pocket expenses incurred by them in connection with the Statutory Audit of the Company.

The Proposed Remuneration is based on the knowledge, expertise, industry experience, time and efforts required to be put in by M/s. Y.B. Desai & Associates during their association with the company. The proposed fee is also in line with the industry benchmarks. The Board and Audit Committee may alter and vary the terms and conditions of appointment, revision including upward revision of the remuneration etc. during the term of five years as may be mutually agreed with the Statutory Auditors.

Credentials:

Y. B. Desai & Associates established in the year 1987. Y. B. Desai & Associates is registered with the Institute of Chartered Accountants of India having Firm Registration No. 102368W. The Registered Office of the Firm is: 1/573, Gajanan Chamber, Bs. Anand Hospital, Por Street, Nanpura, Surat-395001, Gujarat. The firm has a valid peer review certificate from ICAI and providing chartered accountancy services and has over the years maintained motivated work force, client retention, high integrity, dedication, sincerity, quality of service and professionalism.

None of the Directors, Key Managerial Personnel and their relatives has any concern or interest, financial or otherwise in this resolution.

ITEM NO.4:

The Members of the Company had appointed Mr. Atul Baijal as Whole-time Director of the Company for a period of 3 years with effect from 11th February, 2021 on the terms and conditions of appointment and payment of remuneration as set out in the resolution approved by the members at the 39th Annual General Meeting ("AGM") held on 28th August, 2021. The Shareholder delegated power to Board of Director (which expression shall also include the Nomination and Remuneration Committee) to grant increments and to alter and vary the terms and conditions of the said appointment but in the said resolution the increment range was not specified.

Therefore considering significant activities and responsibilities borne by the Whole-time Director and the industry standards, the Board of Directors of the Company recommended the special resolution set out in Item No. 4 of the notice for approval of revision in the payment of remuneration to Mr. Atul Baijal, Whole-time Director of the Company with effect from 1st April, 2022 for the remaining period of his appointment, within the limits specified under Schedule V of the Companies Act, 2013 as amended from time to time as under:

The terms of revised remuneration payable to Mr. Atul Baijal, Whole-time Director with effect from 1st April, 2022 are set out below:

- 1. Basic Salary: Rs. 3,17,000 per month (Rupees three lakh seventeen thousand) per month.
- 2. Perquisites: In addition to the aforesaid salary the Whole-time Director shall be entitled to the following perquisites:
 - i. Leave Travel Allowance of Rs. 9,810 per month.
 - ii. Medical Allowance of Rs. 2,622 per month.
 - iii. Company contribution to National Pension Scheme of Rs. 31,700 per month.
 - iv. 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 including time-to-time increments subject to the celling limits provided in Schedule V of the Companies Act, 2013.

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. Encashment of un-enjoyed leaves as per the Company's Rules 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. Mediclaim and Personal Accident insurance Policy as per the Company's Rules.

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.

The increments of Mr. Atul Baijal be effective from 1st April every year, as may be decided by the Board of Director of the Company with the scale of Rs. 4,48,122 to Rs. 5,05,000/- per month during the remaining tenure of his appointment. This scale amount includes basic salary, leave travel allowance, medical allowance, contribution into Provident Fund, Superannuation Fund, National pension fund and bonus.

All other terms and conditions of appointment as approved by the Company in General Meeting remain unchanged.

The Board of Directors recommends Resolutions at Item No. 4 as a Special Resolution 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 resolution.

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 since 1982.

- 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:

(Rs. in 000')

			(1 c 5. 111 000)
	2019-20	2020-21	2021-22
Turnover	9,62,225	7,53,726	9,41,143
Net profit	33,885	2,354	-17,406
Amount of Dividend paid	4500	-	-
Rate of Dividend declared	15%	-	-

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: 36 years

- **3) Past remuneration:** The gross remuneration paid to him as the Whole-time Director of the Company in the year 2021-22 was Rs. 53.74 lacs.
- 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:

The company has incurred losses during the year under review due to adverse market conditions, impairment loss and loss due to fire accounted during the year.

- 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: 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, 2022.

Registered Office:

National Highway No. 8,

Water Works Cross Road, Abrama,

Valsad- 396002, Gujarat

CIN: L25200GJ1981PLC004375

Tel: 02632 226157

E-mail: investor@ecoplastindia.com, Website: www.ecoplastindia.com

Place: Valsad

Date: 27th May, 2022

By Order of the Board For Ecoplast Limited

Rakesh Kumar Kumawat Company Secretary & Compliance Officer

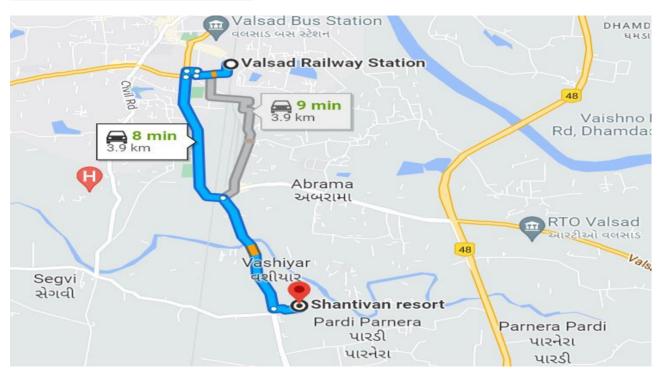
Details of Directors being appointed/re-appointed as required under Secretarial Standards-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Mr. Atul Baijal
Date of Birth, Age	06/08/1965, 56 Year
DIN	09046341
Nationality	Indian
Date of appointment	11/02/2021
Qualification	BSC, Post Graduate Diploma in Plastics Testing
	and Quality Control, Executive MBA
Expertise in specific functional	He is having over 36 years of rich business
areas	experience across various positions.
Shareholding in the Company	Nil
Directorships held in other Companies	Synergy Films Private Limited
Membership/ Chairmanship of Committees of	-
other Companies	
Relationship between Directors inter se	N.A.

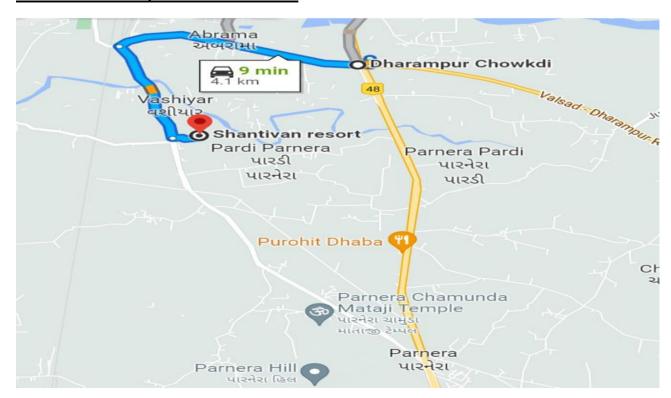
For other details such as number of meetings of the Board attended during the year, remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.

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

Route from Valsad Railway Station



Route from Dharmpur Valsad Chowkadi



FINANCIAL HIGHLIGHTS	31-03-2022	31-03-2021	31-03-2020	31-03-2019	(Rs.'000) 31-03-2018
OPERATION					
OPERATION Sales (Net)	9,41,143	7,53,726	9,62,225	9,27,259	9,59,348
Other Income	9,41,143 8,468	9,276	13,481	10,812	16,144
Operating Profit	1,060	30,632	73,438	59,983	65,179
[Before Depreciation)	1,000	30,032	73,436	59,965	05,179
Profit before tax	(25,533)	3,327	49,504	39,222	46,968
Profit after Tax (including prior period items)	(20,130)	2,108	32,326	31,198	30,084
Dividend and Corporate Tax thereon	-	4,500	5,425	5,425	4,333
Retained earnings	(20,130)	(2,392)	26,901	25,773	25,751
Earnings per Share (Rs) [On Face Value of Rs.10/-]	(5.80)	0.78	11.29	11.30	9.91
ASSETS					
Gross Block	4,67,739	4,58,534	4,46,383	3,63,720	3,42,293
Net Block	1,58,064	1,72,117	1,87,010	1,25,758	1,23,869
Net Current Assets	1,43,564	1,85,570	1,62,557	1,36,793	1,10,484
Non Current Investments	7,270	7,538	6,817	21,166	23,025
Long Term Loans & Advances	21,075	11,955	10,779	28,295	42,653
Total Assets	3,29,973	3,77,180	3,67,163	3,12,012	3,00,031
NET WORTH					
Equity Capital	30,000	30,000	30,000	30,000	30,000
Reserves and Surplus	2,67,249	2,87,379	2,89,771	2,62,870	2,37,096
Net worth	2,97,249	3,17,379	3,19,771	2,92,870	2,67,096
Book value per share (Rs) [On Face Value of Rs.10/-]	99.08	105.79	106.59	97.62	89.03
BORROWINGS					
Long Term	26,398	46,127	35,126	8,415	18,706
Short Term	1,09,407	34,369	76,795	72,589	74,117
	1,35,805	80,496	1,11,921	81,004	92,823
RATIOS					
Profit before tax to Sales and other Income %	(2.69)	0.44	5.07	4.18	4.81
Profit before tax to	(8.59)	1.05	15.48	13.39	17.58
Net Worth %	(0.00)	-	15.46	15.55	15
	-		10	10	10
Dividend to Equity Capital %	-				
Dividend to Equity Capital % Dividend to Net Worth	-	1	2	2	2
Dividend to Equity Capital % Dividend to Net Worth [Yield] %	- - (3.45)	1 3.64	2 13.35	2 14.49	
Dividend to Equity Capital % Dividend to Net Worth [Yield] %	- - (3.45) -				2 16.88 6.94
Dividend to Equity Capital % Dividend to Net Worth [Yield] % Return on Capital Employed %	- (3.45) - 1.68:1	3.64	13.35	14.49	16.88

BOARD'S REPORT

To

The Members,

The Directors are pleased to present their 40th Annual Report and Audited Financial Statements for the year ended 31st March, 2022.

FINANCIAL SUMMARY:

(Rs. in 000')

Net sales 9,41,143 7,53,726 Other income 8,468 9,276 Sales and other income 9,49,611 7,63,002 Operating profit (loss) before depreciation and tax 1,060 30,632 Depreciation 26,593 27,303 Profit (loss) before tax (25,533) 3,322 Tax expenses (374) (1,904) Deferred tax 7,794 823			(1 xs . 111 000)
Other income 8,468 9,276 Sales and other income 9,49,611 7,63,002 Operating profit (loss) before depreciation and tax 1,060 30,632 Depreciation 26,593 27,302 Profit (loss) before tax (25,533) 3,322 Tax expenses (374) (1,904) Deferred tax 7,794 825	Particulars	31/03/2022	31/03/2021
Sales and other income 9,49,611 7,63,002 Operating profit (loss) before depreciation and tax 1,060 30,632 Depreciation 26,593 27,303 Profit (loss) before tax (25,533) 3,322 Tax expenses (374) (1,904) Deferred tax 7,794 823	Net sales	9,41,143	7,53,726
Operating profit (loss) before depreciation and tax 1,060 30,632 Depreciation 26,593 27,302 Profit (loss) before tax (25,533) 3,322 Tax expenses (374) (1,904) Deferred tax 7,794 823	Other income	8,468	9,276
Depreciation 26,593 27,300 Profit (loss) before tax (25,533) 3,320 Tax expenses (374) (1,904) Deferred tax 7,794 820	Sales and other income	9,49,611	7,63,002
Profit (loss) before tax (25,533) 3,327 Tax expenses (374) (1,904) Deferred tax 7,794 823	Operating profit (loss) before depreciation and tax	1,060	30,632
Tax expenses (374) (1,904) Deferred tax 7,794 823	Depreciation	26,593	27,305
Current tax (374) (1,904) Deferred tax 7,794 823	Profit (loss) before tax	(25,533)	3,327
Deferred tax 7,794 82:	Tax expenses		
, , , , , , , , , , , , , , , , , , ,	Current tax	(374)	(1,904)
Tax in respect of earlier years 707 10'	Deferred tax	7,794	825
	Tax in respect of earlier years	707	107
Profit (loss) after tax (17,406) 2,354	Profit (loss) after tax	(17,406)	2,354

Operations/ State of Company's Affairs:

During the year under review, sales value increased by 25% to 9,41,143 (Rs. in 000') from 7,53,726 (Rs. in 000') in the previous year. The company incurred net loss of 17,406 (Rs. in 000') in compared to net profit of 2,354 (Rs. in 000') in the previous year.

The Company overcame numerous challenges in FY 21-22 which began with the 2nd wave of covid and the subsequent slump in demand for our ACP/ SPF products that command higher margins. This was followed by three fire incidents in the 1st & 2nd quarter and affected parts of our manufacturing operations. However, these incidences and obstacles helped us become more dynamic and anticipatory going forward.

Following steps have been taken to prevent such fire incidents:

- Response time in CO2 flooding system reduced from 1 minute to 30 seconds.
- Manual push buttons also installed to activate the system.
- Installation of static neutralizer bars in the printing and coating units to reduce static build up.
- Work on installation of fire hydrant system started, which will be completed in Q2 of next FY.

We were hit with unprecedented rises in RM prices in the 2nd half of FY 21-22 which curtailed demand post-Diwali. This was witnessed across all industries that our customers operate in: Packaging, Real Estate/ Construction, and Industrial Applications. As a result of such high increases in RM prices, there was tremendous strain on our working capital. Unfortunately, around the same time, Indian Steel, a major SPF customer, went under NCLT and defaulted on Rs. 140 lacs of payments.

Supply chain disruptions and freight cost volatility has been prevalent all year round since the beginning of the pandemic until now. These conditions forced us to keep higher RM stock levels.

Customers also grew tired of absorbing the regular increases in prices and were not ready to accept them beyond a point or delayed in giving the necessary increases in costs. The uncertainty due to the combination of these factors made customers risk averse and conservative in their dealings, future plans, and expansions. The last quarter was going great after some stability in pricing and demand, until the Russia-Ukraine invasion began, driving up the crude oil and consequently polymer prices. Our customers in Sri Lanka have also felt the blow of the ongoing crisis. The consequences of these global events are still being felt as we approach FY 2022-23. We remain optimistic about export opportunities in the US, UK, and Canada for our SPF products.

It is expected that we will continue to face challenges in the coming financial year 2022-23, with the current situation due to increased oil prices and Russia- Ukkraine war which have led to increased raw material prices thereby reducing buying power and increased working capital requirements for all companies.

However, internally, we will be concentrating on increased operational efficiency, tighter credit control, focus on retaining our share with existing customers, increased focus on increasing sales of high value-added products and widen our overseas customer base. All these measures are expected to ensure to mitigate the above challenges.

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

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.

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

MEASURES AGAINST COVID-19 PANDEMIC:

The Company has taken following measures to prevent Covid infection.

- Ensuring 100% vaccination of employees and visitors.
- Ensuring social distance and mandating the usage of Masks at the workplace.
- Thermal scanning & hand sanitising of every person visiting the Factory.
- Periodic sanitisation of entire facility.

DIVIDEND:

The Company incurred significant loss during the year and the Board of Directors do not recommend any dividend.

Transfer of Amounts to any Reserve:

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

BOARD MEETINGS:

The Board of Directors met Five times during the Financial Year 2021-22. The date of the Board meeting have been mentioned in the Corporate Governance Report which is part of this report.

DIRECTORS AND KEY MANANGERIAL PERSONNEL:

At the previous Annual General meeting of the company held on 28th August, 2021, Mr. Atul Baijal (DIN 09046341) was appointed as Whole-time Director of the Company for a period of 3 years i.e from 11th February 2021 to 10th February 2024.

At the previous Annual General Meeting of the company held on 28th August, 2021 Mr. Jaymin Desai (DIN 00156221) was re-appointed as Managing Director of the Company for a period of 3 years i.e. from 1st October, 2021 to 30th September, 2024.

Mr. Antony Alapat had resigned and ceased as Company Secretary and Compliance Officer of the Company w.e.f. 31st October, 2021.

Mr. Rakesh Kumar Kumawat was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 13th December, 2021.

Mr. Atul Baijal (DIN 09046341), Director of the Company would retire by rotation, at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Mahadev Desai had resigned and ceased as Chief Financial Officer of the Company w.e.f. 31st March, 2022.

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

DECLARATION FROM INDEPENDENT DIRECTORS:

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

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

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

AUDIT COMMITTEE:

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

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

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

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

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

VIGIL MECHANISM:

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit 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.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

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

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

SUBSIDIARY COMPANY:

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

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

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

ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed there under, the Annual Return for the financial year 2021-22 is uploaded on the website of the Company. The same is available on www.ecoplastindia.com

AUDITORS:

As per the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Y.B. Desai & Associates, Chartered Accountants, Surat, (ICAI Registration No. 102368W) were appointed as Statutory Auditors of the Company for first term of five years at the 35th Annual General Meeting. M/s. Y.B. Desai & Associates, the Statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment for second term of five years from the conclusion of this Annual General Meeting till the 45th Annual General Meeting to be held in the year 2027. You are requested to appoint them as Statutory Auditors of the Company for five years and fix their remuneration as recommended by the Board.

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

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

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2021-22.

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

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

The Statutory Auditors' Report do not contain any qualifications, reservations or adverse remarks. The Secretarial Auditors' Report has the below remark.

"During the year the Company has received Notices from BSE Limited for non-compliance with the requirements pertaining to the composition of the Board under Regulation 17(1) of SEBI LODR for the quarter ended March 31, 2021 and non-compliance under Regulation 23(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for late submission of disclosures of related party transactions on consolidated basis for the half year ended 31st March, 2021. The Company has paid the requisite fines to BSE Limited."

Board's comment on the observation:

The Company has complied with the compliance of the provisions mentioned in the above remark and paid the requisite fines to BSE Limited.

COST AUDITORS:

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

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

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

DEPOSITS:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

As on 31st March 2022 the Company has made the following Investments under section 186 of the Companies Act, 2013.

Investments; 7,270/- (Rs. in 000') for 11,95,360 Equity Shares of Rs. 10 each fully paid up in Synergy Films Private Limited (Wholly Owned Subsidiary).

RISK MANAGEMENT POLICY:

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

CORPORATE SOCIAL RESPONSIBILTY POLICY:

To fulfil its CSR Obligations, The Company has spent an amount of 700 (Rs. in 000') for the year as CSR contribution towards the operating expenditure of running the special school Jaina Anupam N Parmar Charitable Trust, which is a not-for-profit organization located at Valsad devoted to work for children/ adult with intellectual and developmental disabilities and running the special school. This NGO has been running the special school for the mentally challenged children/adult under the name and style of Jalaram Manos Vikas Kendra at Valsad.

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

RELATED PARTY TRANSACTIONS:

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

FORMAL ANNUAL EVALUATION:

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

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

PARTICULARS OF EMPLOYEES:

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

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

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

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has not received any complaint of sexual harassment during the financial year 2021-22.

LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2022-23 to BSE where the Company's Shares are listed.

INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE:

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

CORPORATE GOVERNANCE:

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

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

MANAGEMENT DISCUSSION ANALYSIS:

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

SECRETARIAL STANDARDS:

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

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

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

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

Not Applicable during the financial year.

ACKNOWLEDGMENT:

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

For and on behalf of the Board of Directors

Date: 27th May, 2022 Jaymin B. Desai Atul Baijal

Place: Valsad Managing Director Whole-time Director DIN: 00156221 DIN: 09046341

ANNEXURE –I Form No. AOC-1

Salient features of the Financial Statement of the Subsidiary Company

	Salient leatures of the rinal			·	As at 31 March, 2021
1)	Name of Subsidiary Company	:	Synergy	Films Private Limited	
2)	Reporting Currency			INR	
	Teperang currency			(Rs. in 000)	(Rs. in 000)
3)	Capital	:	Rs.	11954	11954
4)	Reserves	:	Rs.	-4683	-4416
5)	Total Assets	:	Rs.	8470	7781
6)	Total Liabilities	:	Rs.	8470	7781
7)	Investments	:	Rs.	-	-
8)	Turnover	:	Rs.	1624	4792
9)	Profit Before Tax	:	Rs.	-268	427
10)	Provision for Taxation	:	Rs.	Nil	Nil
11)	Profit After Tax	:	Rs.	-268	427
12)	Proposed Dividend	:	Rs.	Nil	Nil
13)	Country	:		India	
14)	% of Shareholding	:		100%	100%

Date: 27th May, 2022

Place: Valsad

For and on behalf of the Board of Directors

Jaymin B. Desai Managing Director DIN: 00156221

Atul Baijal Whole-time Director DIN: 09046341

Company Secretary

Rakesh Kumar Kumawat Vaibhav Kumar Totla Chief Financial Officer

ANNEXURE -II

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022 [Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To, The Members, Ecoplast Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,
- 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 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (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 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (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 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 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
 - (a) The Air (Prevention & Control of Pollution) Act, 1981
 - (b) Hazardous Waste (Management and Handling) Rules, 1989
 - (c) Plastic Waste Management Rules, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited("BSE") and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

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

We report that during the year the Company has received Notices from BSE Limited for non-compliance with the requirements pertaining to the composition of the Board under Regulation 17(1) of SEBI LODR for the quarter ended March 31, 2021 and non-compliance under Regulation 23(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for late submission of disclosures of related party transactions on consolidated basis for the half year ended 31st March, 2021. The Company has paid the requisite fines to BSE.

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 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events 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: April 22, 2022 Mitesh Dhabliwala Partner FCS No: 8331 CP No: 9511 UDIN: F008331D000187191

PR No.: 1129/2021

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

'Annexure A'

To, The Members, Ecoplast Limited

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

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
- 5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates Company Secretaries

Place: Mumbai Date: April 22, 2022 Mitesh Dhabliwala Partner FCS No: 8331 CP No: 9511 UDIN: F008331D000187191

PR No.: 1129/2021

ANNEXURE –III

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

A. CONSERVATION OF ENERGY:

- i. Steps taken / impact on conservation of energy
- 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 and 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.

iv. Expenditure incurred on Research and Development

	(Rs. in 000')	
	31.03.22	31.03.2021
a) Capital Expenditure	2508	13
b) Recurring Expenditure	4191	3896
Total Expenditure	6699	3909

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

			(Rs. in 000')	
		31.03.2022	31.03.2021	
a)	Foreign Exchange Earnings	121419	124233	
b)	Foreign Exchange Outgo	270985	214051	

ANNEXURE -IV

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company: At Ecoplast Limited, Corporate Social Responsibility is to provide environment to the society in which all level of people gets opportunity of financial growth and opportunity to live in Clean, Green and Eco-friendly Environment.

2. Composition of CSR Committee:

The Corporate Social Responsibility expenditure of the company does not exceed Rs. 50 lacs during the year therefore the constitution of the Corporate Social Responsibility Committee is not applicable on the Company and the function of the CSR Committee discharged by the Board of Directors of the Company.

- **3.** Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.ecoplastindia.com
- **4.** Provide the 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

Sr.	Financial Year	Amount available for set-off	Amount required to be
No.		from preceding financial	setoff for the financial
		years (in Rs)	year, if any (in Rs)
1	2018-19	-	-
2	2019-20	-	-
3	2020-21	12,862	-
	Total	12,862	-

- 6. Average net profit of the company as per section 135(5): Rs. 3,46,02,763/-
- 7. (a)Two percent of average net profit of the company as per section 135(5): Rs. 6,92,055/-
 - (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. 6,92,055/-

8. (a) CSR amount spent or unspent for the financial year:

	Amount Unspent (in Rs.)					
Total Amount Spent for the Financial Year.	Total Amount Unspent CSR Ac Section 135(6).	transferred to count as per	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
(in Rs.)	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.	
7,00,000/-	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	Local area (Yes/ No)	Location of	f the project	Amount spent for the project (in Rs.).	Mode of implementation on - Direct (Yes/No)	Mode of Through agency	implementation - implementing
		Act		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	7,00,000		Jaina Anupam N Parmar Charitable Trust	CSR00008470
	TOTAL					7,00,000			

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.7,00,000/-
- (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)	6,92,055/-
(ii)	Total amount spent for the Financial Year	7,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	7,945/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,945/-

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 Account under	Amount spent in the reporting Financial Year		ransferred to any fur VII as per section	•	Amount remaining to be spent in succeeding	
		section 135 (6) (in Rs.)		Name of the Fund	Amount (in Rs.)	Date of transfer	financial years. (In Rs.)	
	Nil							

(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.	
	Nil								

- 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 (asset-wise details): Not Applicable
 - 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

For and on behalf of the Board of Directors

Date: 27th May, 2022 Jaymin B. Desai Atul Baijal

Place: Valsad Managing Director Whole-time Director DIN: 00156221 DIN: 09046341

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

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

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

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

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

For and on behalf of the Board of Directors

Date: 27th May, 2022 Jaymin B. Desai Atul Baijal

Place: Valsad Managing Director Whole-time Director DIN: 00156221 DIN: 09046341

ANNEXURE -VI

PARTICULARS OF EMPLOYEES

- A. The information as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2018 is given hereunder.
- 1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sr.	Name of Director/KMP	Ratio to Remuneration of Median
No.		Remuneration
i.	Jaymin B. Desai	43.75
ii.	Atul Baijal	21.85
iii.	Charulata N. Patel	0.73
iv.	Dhananjay T. Desai	-
V.	Mukul B. Desai	0.85
vi.	Bhupendra M. Desai	0.85

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:

Name of Director/KMP	Percentage Increase in Remuneration		
Jaymin B. Desai ^(a)	97.25		
Atul Baijal ^(b)	N.A.		
Charulata N. Patel	(50.87)		
Dhananjay T. Desai ^(c)	N.A.		
Mukul B. Desai	(53.99)		
Bhupendra M. Desai	(51.88)		
Mahadev D. Desai- CFO ^(d)	28.70		
Antony P. Alapat- CS ^(e)	N.A.		
Rakesh Kumar Kumawat- CS ^(e)	N.A.		
	Jaymin B. Desai ^(a) Atul Baijal ^(b) Charulata N. Patel Dhananjay T. Desai ^(c) Mukul B. Desai Bhupendra M. Desai Mahadev D. Desai- CFO ^(d) Antony P. Alapat- CS ^(e)		

Note:

- a) Mr. Jaymin Desai has voluntarily waived his right to receive remuneration for the period 01/04/2020 to 30/09/2020, therefore the significant change showing in his remuneration increase.
- b) Employed for the part of the year in FY 2020-21, therefore the remuneration can't be compared
- c) Mr. Dhananjay T. Desai, Director has waived his right to receive any kind of remuneration, as pre-condition for his appointment as the member of Board of Director and its Committees.
- d) Mr. Mahadev Desai, CFO retired on 31/03/2022 and paid retirement benefits during the current financial year therefore the Significant change showing in his remuneration increase.
- e) Employed for the part of the year in FY 2021-22, therefore the remuneration can't be compared.

- 3. The percentage increase in the median remuneration of employees in the financial year, (5.32%)
- 4. the number of permanent employees on the rolls of company; 137
- 5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average Increase in Salaries excluding Managerial Remuneration	10.31%
Average Increase in Managerial Remuneration*	164.08%

^{*}Mr. Jaymin Desai has voluntarily waived his right to received remuneration for the period 01/04/2020 to 30/09/2020 and Mr. Atul Baijal employed part of the year in FY 2020-21, therefore the significant change showing in remuneration increase.

- 6. Affirmation that the remuneration is as per the remuneration policy of the company: The Directors hereby confirm that the Company is paying remuneration to Directors and Employees as per the remuneration policy of the Company.
- B. Particulars of employee's remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

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

Management Discussion and Analysis

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

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

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

Currently we serve following applications: -

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

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

Key strengths:

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

Global economic overview:

According to the World Economic Outlook by the International Monetary Fund (IMF) published in January, 2022, Global growth is expected to slow to 3.8 percent in 2023. Although this is 0.2 percentage point higher than in the previous forecast, the upgrade largely reflects a mechanical pickup after current drags on growth dissipate in the second half of 2022. The forecast is conditional on adverse health outcomes declining to low levels in most countries by end- 2022, assuming vaccination rates improve worldwide and therapies become more effective.

Inflation is expected to remain elevated in the near term, averaging 3.9 percent in advanced economies and 5.9 percent in emerging market and developing economies in 2022, before subsiding in 2023. Assuming medium-term inflation expectations remain well anchored and the pandemic eases

its grip, higher inflation should fade as supply chain disruptions ease, monetary policy tightens, and demand rebalances away from goods-intensive consumption towards services. The rapid increase in fuel prices is also expected to moderate during 2022–23, which will help contain headline inflation.

The upward revision to global growth in 2023 is mostly mechanical. Eventually, the shocks dragging 2022 growth will dissipate and- as a result- global output in 2023 will grow a little faster. Among prominent revisions not due to the pandemic, India's prospects for 2023 are marked up on expected improvements to credit growth- and, subsequently, investment and consumption- building on better-than-anticipated performance of the financial sector. The upward revision to 2023 global growth is, however, not enough to make up ground lost due to the downgrade to 2022. Cumulative global growth over 2022 and 2023 is projected to be 0.3 percentage point lower than previously forecast.

Global trade is expected to moderate in 2022 and 2023, in line with the overall pace of the expansion. Assuming that the pandemic eases over 2022, supply chain problems are expected to abate later in the year. The accompanying moderation in global goods demand will also help reduce imbalances. Crossborder services trade is expected to remain subdued.

Indian economy:

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

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

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

The ongoing geopolitical crisis has heightened the uncertainty clouding the global macroeconomic and financial landscape even as the world economy struggles to recover from the pandemic. As the conflict escalates, oil and other commodity prices are blazing to multiyear highs, and financial markets are on edge, driven by massive sell-offs. Amidst these testing times, the Indian economy is experiencing spillovers as it recovers from the third wave of the pandemic. Consumer and business confidence are rising alongside improvement in demand conditions. On the supply side, a resilient farm sector and a sustained retrieval in both industrial and service sectors are broadening the recovery.

In fiscal 2022, with the hardening of crude prices, fuel emerged as the new driver of inflation and core inflation firmed up further. However, overall inflation was lower at 5.5% in fiscal 2022, compared with 6.2% in the previous year, due to drop in food inflation. As per the CRISIL report

India's GDP growth projected at 7.8% in the year 2023 with risk titled to the downside.

Industry overview:

Global flexible packaging market

The flexible packaging the market expected to reach US\$ 162.4 Billion by 2027, exhibiting a CAGR of 4.5% during 2022-2027. Keeping in mind the uncertainties of COVID-19, they are continuously tracking and evaluating the direct as well as the indirect influence of the pandemic on different end use industries. These insights are included in the report as a major market contributor. Flexible packaging is one of the rapidly growing segments of the packaging industry, combining the highest qualities of film, paper, and aluminum foil to provide a wide range of protective characteristics. These flexible packages can acquire the shape of a pouch, liner, bag or overwrap and it can resonate with any type of packaging.

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

Indian Plastic Packaging Industry

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

The India Plastic Packaging market was expected to register a CAGR of 2.5% during the forecast period (2021-2026). Due to the COVID-19 outbreak, the demand for nutritional drinks and healthy food increased exponentially. The majority of these products are packaged with single-use plastic. The orders were so huge on a global level that the manufacturers and packaging companies in the field even expanded their facilities, which was also supported by most of the governments. Owing to the increasing population, rising income levels, changing lifestyles, and growing economy, the demand for e-commerce packaging is increasing in India. According to the India Brand Equity Foundation data, the Indian e-commerce sector is predicted to expand to USD 200 billion by 2026.

Industrial Application of Plastics

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

Sustainable and new flexible plastic packaging solutions

The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing rapidly. The growth in the flexible packaging industry in India is mainly driven by the food and the pharmaceutical packaging sectors. The large and growing Indian middle

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

Dynamic industry changes, such as the introduction of new regulatory initiatives, have encouraged manufacturers to develop new packaging options. Growing concerns regarding the use of biodegradable 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.

Opportunity:

Significant increase in the food products

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

E-Commerce

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

• Importance of Surface Protection Films

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

Glue-less Films

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

Threat:

• Recycling and environmental concerns associated with flexible plastic packaging

Recycling of plastic packaging waste is a process that requires state-of-the-art infrastructural facilities. It is a time-consuming process that needs personnel expertise. However, some parts of the world lack these facilities for recycling. Even in developed countries such as the US, the problem of sub-standard infrastructure for recycling persists. Every year, in the US itself, recyclable containers worth more than USD 11 billion are thrown away due to a lack of recycling facilities. According to the UN Environment Programme, the world produces around 330 million tons of plastic waste each year. To date, only 9% of the plastic waste ever generated has been recycled, and only 14% is collected for recycling now.

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

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

Rising input costs

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

• Domestic Competition

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

In view of this, increased focus is now on for increasing export sales of surface protection films. Though this process may take 12 to 18 months, it will help in increasing sales and maintain/increase margins. Some benefits of this strategy are expected from this financial year.

Operational Performance Review

During the year under review, sales value increased by 25% to 9,41,143 (Rs. in 000') from 7,53,726 (Rs. in 000') in the previous year. The company incurred net loss of 17,406 (Rs. in 000') in compared to net profit of 2,354 (Rs. in 000') in the previous year.

The Company overcame numerous challenges in FY 2021-22 which began with the 2nd wave of covid and the subsequent slump in demand for our ACP/ SPF products that command higher margins. This was followed by three fire incidents in the 1st & 2nd quarter and affected parts of our manufacturing operations. However, these incidences and obstacles helped us become more dynamic and anticipatory going forward.

Following steps have been taken to prevent such fire incidents

- Response time in CO2 flooding system reduced from 1 minute to 30 seconds.
- Manual push buttons also installed to activate the system.
- Installation of static neutralizer bars in the printing and coating units to reduce static build up.
- Work on installation of fire hydrant system started, which will be completed in Q2 of next FY.

We were hit with unprecedented rises in RM prices in the 2nd half of FY 21-22 which curtailed demand post-Diwali. This was witnessed across all industries that our customers operate in Packaging, Real Estate/ Construction, and Industrial Applications. As a result of such high increases in RM prices, there was tremendous strain on our working capital. Unfortunately, around the same time, Indian Steel, a major SPF customer, went under NCLT and defaulted on Rs. 140 lacs of payments.

Supply chain disruptions and freight cost volatility has been prevalent all year round since the beginning of the pandemic until now. These conditions forced us to keep higher RM stock levels.

Customers also grew tired of absorbing the regular increases in prices and were not ready to accept them beyond a point or delayed in giving the necessary increases in costs. The uncertainty due to the combination of these factors made customers risk averse and conservative in their dealings, future plans, and expansions. The last quarter was going great after some stability in pricing and demand, until the Russia-Ukraine invasion began, driving up the crude oil and consequently polymer prices. Our customers in Sri Lanka have also felt the blow of the ongoing crisis. The consequences of these global events are still being felt as we approach FY22-23. We remain optimistic about export opportunities in the US, UK, and Canada for our SPF products.

It is expected that we will continue to face challenges in the coming financial year 2022-23, with the current situation due to increased oil prices and Russia- Ukraine war which have led to increased raw material prices thereby reducing buying power and increased working capital requirements for all companies.

However, internally, we will be concentrating on increased operational efficiency, tighter credit control, focus on retaining our share with existing customers, increased focus on increasing sales of glueless films and widen our overseas customer base. All these measures are expected to ensure to mitigate the above challenges.

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

Key Financial Ratios

Particulars	31.03.2021	31.03.2022	% Change	Explanation
				Refer point No.
Debtors Turnover Ratio	3.68	4.68	27	(a) stated below
Inventory Turnover Ratio	5.08	5.98	18	NA
				Refer point No.
Interest Coverage Ratio	3.71	1.10	-70	(b) stated below
				Refer point No.
Current Ratio	2.36	1.68	-29	(c) stated below
				Refer point No.
Long Term Debt Equity Ratio	0.15	0.09	-40	(d) stated below
				Refer point No.
Operating Profit Margin Ratio	-0.01	-0.04	388	(e) stated below
				Refer point No.
Net Profit Margin Ratio	0.00	-0.02	-692	(e) stated below
				Refer point No.
Return on Net worth	0.01	-0.06	-866	(f) stated below

- a) Debtors' turnover ratio has increased due to regular monitoring of collection practices and change in credit policy.
- b) Interest coverage ratio has decreased because of reduction in PBDIT as compared to previous year.
- c) Current ratio decreased because of fluctuation in cash flow.
- d) Long term debt equity ratio has decreased because of reduction in long term loans of the Company.
- e) Operating profit margin ratio and net profit margin ratio has reduced because of loss incurred during the year. During the year under review, operations of the company were adversely affected which in turn into abnormal variances in various ratios. The company has incurred losses during the year under review against the previous year profit, due to adverse market conditions, impairment loss and loss due to fire accounted during the year.
- f) There is decline in return on net-worth due to adverse market conditions, impairment loss and loss due to fire accounted during the year.

Segment information:

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

Risks and Concern:

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

i. Credit risk:

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

iii. Market risk:

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

iv. Commodity Risk:

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

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

Internal Financial Control Systems:

The Company's internal financial control systems are commensurate with the nature of its business and the size and complexities of its operations. These systems are designed to ensure that all assets of

the Company are safeguarded and protected against any loss and that all transactions are properly authorized, recorded and reported.

Human Resources

It is your Company's belief that people are at the heart of corporate purpose and constitute the primary source of sustainable competitive advantage. Your Company's belief in trust, transparency and team work improved employee productivity at all levels. The Company has 137 employees on its payroll.

Cautionary Statement:

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

For and on behalf of the Board of Directors

Date: 27th May, 2022

Place: Valsad

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

DIN: 09046341

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, 2022.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive world. Transparency and accountability are the two basic tenets of Corporate Governance. It involves a set of relationships between a Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors, and in establishing productive and lasting business relationship with all stakeholders.

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

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

2. BOARD OF DIRECTORS:

The Composition of the Board as on 31st March, 2022 is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013. The Board of Directors is chaired by an Independent Director and has an optimum combination of executive and non-executive/ Independent Directors with one women Director.

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

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

As mandated by Listing Regulations none of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/ she is Director. Relevant details of the Board as on 31st March, 2022 are given as follows:

During the financial year 2021-22, 5 (Five) Board meetings were held on (1) 13th May, 2021 (2) 12th August, 2021 (3) 11th November, 2021 (4) 10th February, 2022 (5) 26th March, 2022 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	held in other	Atten- dance at last AGM	No. of Comm held in other Chairman of Committee	•
Mr. Mukul B. Desai Chairman (DIN: 00015126)	NED(I)	5	2	Yes	Nil	Nil
Mr. Jaymin B. Desai Managing Director (DIN: 00156221)	MD(P)	5	3	Yes	Nil	Nil
Mr. Dhananjay T. Desai (DIN: 00049574)	NED(I)	5	6	Yes	Nil	Nil
Mr. Bhupendra M. Desai (DIN: 02545003)	NED(I)	5	0	Yes	Nil	Nil
Mrs. Charulata N. Patel (DIN: 00233935)	NED(P)	5	2	Yes	Nil	Nil
Mr. Atul Baijal (DIN: 09046341)	WTD	5	1	Yes	Nil	Nil

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

As on 31st March 2022, none of the Directors are related inter-se.

As on 31st March 2022, none of the Directors holds any Directorship in any other Listed Company.

Details of Shares held By Non-Executive Directors as on 31st March 2022

Name	No. of Shares
Mr. Mukul B. Desai	9,650
Mr. Dhananjay T. Desai	-
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 www.ecoplastindia.com

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

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

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

Mr. Atul Baijal, aged 56 appointed as Director of the company on 11th February 2021. He is a Plastic Technologist from CIPET and has pursued XMBA from ITM, with thirty-six years of rich experience spanning right from Quality control, Quality Assurance, Technical Services, Technical Development, Operations, Sales and Global procurement the in 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 www.ecoplastindia.com

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

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

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

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

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

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

3. COMMITTEES OF THE BOARD:

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

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

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

Company has the following Board Level Committees:

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

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

A. AUDIT COMMITTEE

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

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

The composition of the Audit Committee along with the details of the meetings held and attended during the financial year as on 31st March, 2022, are given below.

Meetings, Members and Attendance

During the financial year 2021-22 the Audit Committee held 5 (Five) meetings on (1) 13th May 2021 (2) 12th August 2021 (4) 11th November 2021 (5) 10th February 2022 and 26th March 2022.

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

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

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

Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on 28th August, 2021 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:

During the financial year 2021-22 the Nomination and Remuneration Committee held 3 (Three) meetings on (1) 13th May 2021 (2) 11th November 2021 (3) 26th March 2022.

As on 31st March, 2022 the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

Meetings, Members and Attendance

The details of Committee Members are as under:

Name of Member	Category	Status	No. of M	Ieeting
			Held	Attended
Mr. Bhupendra M. Desai	NED(I)	Chairman	3	3
Mr. Mukul B. Desai	NED(I)	Member	3	3
Mrs. Charulata Patel	NED(P)	Member	3	3

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

Terms of reference:

The terms of reference to this committee, 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. Theperformance evaluation of Independent Directors was done by the entire Board of Directors and the Directors subject to evaluation had not participated in the same. The Independent Directors evaluated the performance of Non-Independent Directors, Board as a whole and Chairman.

Policy for Remuneration to Director/ Key Managerial Personnel

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

Details of Remuneration paid to the Directors for the FY 2021-22:

I. Remuneration to MD/WTD:

(Rs. in 000')

Sr. No.	Particulars of Remuneration	Managing Director	Whole-time Director
		Jaymin Desai	Atul Baijal
1.	Salary and Perquisites	10,762	5,374
2.	Commission	-	-
3.	Service Contract	3 years	3 years
4.	Notice Period & Severance Fees	Three Months' Notice or three months' salary in lieu of notice	Three Months' notice or three months' salary in lieu of notice
5.	Others	-	-
	Total	10,762	5,374

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

II. Remuneration to other directors:

(Rs. in 000')

Sr. No.	Particulars of Remuneration	Name of Directors			
		Mukul Desai	Bhupendra Desai	Charulata Patel	
	 Fee for attending board committee meetings 	210	210	180	
	CommissionOthers	-	-	-	
	Total	210	210	180	

C. STAKEHOLDER RELATIONSHIP COMMITTEE:

Meetings, Members and Attendance

During the Financial Year 2021-22 the Committee held 1 (one) meeting on 13th May, 2021.

The details of attendance of Members are as under:

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

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

Complaints received and redressed by the Company during the financial year 2021-22:

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 10th February, 2022 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
2020-21	Through Audio Visual Means	28 th August 2021 at 11.00 A.M.	 Re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the Company and payment of remuneration to him. Appointment of Mr. Atul Baijal (DIN: 09046341) as Whole-time Director of the Company and payment of remuneration to him. Change in place of keeping Registers and Records.
2019-20	Through Audio Visual Means	5 th September 2020 at 11.00 AM	Re-appointment of Mr. Dhananjay T. Desai (DIN: 00049574) as an Independent Director of the Company.
2018-19	The Club Resort, At & P.O. Vashier, Valsad - 396 001	6 th September 2019 at 12.00 noon	 Re-appointment of Mr. Mukul B. Desai as an Independent Director of the Company. Re-appointment of Mr. Bhupendra M. Desai as an Independent Director of the Company. Re-appointment of Mr. Jehangir A. Moos as an Independent Director of the Company.

• The Company has not conducted Postal Ballot during the financial year 2020-21 & 2021-22.

F. MEANS OF COMMUNICATION:

- **i. WEBSITE:** The Company's website www.ecoplastindia.com contains a separate section "Investors" for use of investors. The quarterly, half yearly and Annual Financial Results are promptly and prominently displayed on website. Notices, Annual Report, Quarterly Shareholding Pattern and other Communication are also available on the website.
- **ii. FINANCIAL RESULTS:** The Quarterly, Half yearly and Annual Results are regularly posted by the Company on its website. These are also submitted to the Stock Exchange i.e., BSE Ltd in accordance with Listing Regulations.

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

- **iii. ANNUAL REPORT:** Annual Report containing inter-alia, salient features of the Audited Financial Statements, Director's Report (Including Management Discussion and Analysis), Corporate Governance Report and other important information is circulated to members and others entitled thereof.
- **iv. CORPORATE FILING:** Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with BSE Ltd and are also available on the website of the Company.
- v. There were no presentations made to the institutional investor analysts during the year.

G. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting (Day, Date, Time and Venue)	Saturday, 24 th September, 2022, 12.00 noon at 'Shantivan Resort', Atul-Valsad Road, Vashiyar, Valsad- 396002, Gujarat.
Financial Year	1 st April,2021 to 31 st March, 2022
Date of Book Closure	Saturday, 17 th September, 2022 to Saturday, 24 th September, 2022
Dividend Payment Date	Not Applicable
Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 526703)
International Securities Identification Number	INE423D01010
CIN	L25200GJ1981PLC004375

Note: The Annual Listing Fees for the year 2022-23 has been paid to BSE.

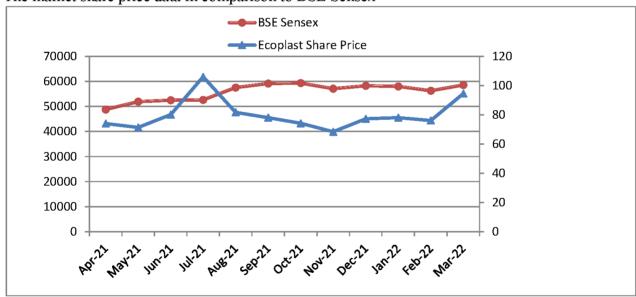
H. STOCK MARKET DATA:

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

	Share Price of the C	Company on BSE	BSE S	Sensex
Month	High (Rs.)	Low (Rs.)	High	Low
Apr-21	78.95	67.15	50375.77	47204.50
May-21	108.00	70.00	52013.22	48028.07
Jun-21	82.95	65.70	53126.73	51450.58
Jul-21	110.00	81.50	53290.81	51802.73
Aug-21	111.30	76.95	57625.26	52804.08
Sep-21	83.00	74.35	60412.32	57263.90
Oct-21	81.45	71.55	62245.43	58551.14
Nov-21	78.60	67.05	61036.56	56382.93
Dec-21	79.65	65.00	59203.37	55132.68
Jan-22	85.00	72.20	61475.15	56409.63
Feb-22	88.95	72.00	59618.51	54383.20
Mar-22	107.90	68.00	58890.92	52260.82

I. STOCK PERFORMANCE:

The market share price data in comparison to BSE Sensex



J. REGISTRARS AND SHARE TRANSER AGENT FOR SHARES:

M/s TSR 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@tcplindia.co.in is acting as Registrar and Transfer Agents (RTA) for handling the shares related matters both in Physical and Dematerialized mode.

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

K. SHARE TRANSFER SYSTEM:

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

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

L. RECONCILIATION OF SHARE CAPITAL AUDIT:

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

M. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022:

Range start	Range end	Total shares	Percentage to capital	Total number of shareholders	% of total security holders
1	500	222623	7.42	1875	89.12
501	1000	75336	2.51	93	4.42
1001	2000	82731	2.76	53	2.52
2001	3000	47135	1.57	18	0.85
3001	4000	43312	1.44	12	0.57
4001	5000	45190	1.51	10	0.47
5001	10000	93387	3.11	14	0.67
10001	above	2390286	79.68	29	1.38
	Total	3000000	100.00	2104	100.00

N. CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2022:

Sr		No. of		% to
No	Particulars	Accounts	Holding	capital
1	Companies Acting in concert- Promoter Company	2	513267	17.11
2	Person Acting in Concert- Individual Promoters	20	1491553	49.72
3	Bodies Corporate including LLP	27	19574	0.65
4	NRI	16	24969	0.83
5	IEPF	1	57897	1.93
6	Clearing Members	4	431	0.01
7	Resident Individuals/ HUF	2034	892309	29.75
	Total	2104	3000000	100.00

O. DEMATERIALISATION OF SHARES:

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

Details of shares held in physical form and dematerialized form as on 31st March, 2022:

Mode	No. of Shares	% of Share Capital
Electronic form with CDSL	8,78,611	29.29
Electronic form with NSDL	20,54,594	68.49
Physical	66,795	2.22
Total	30,00,000	100.00

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

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

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments in the past and hence as on 31st March, 2022, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

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

Q. ADDRESS FOR CORRESPONDENCE

Registered office	:	National Highway No. 8, Water Works Cross Road, Abrama- Valsad, Valsad-396002, Gujarat
Tel. No.	:	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 and inventory strategy.
- S. Unclaimed Suspense Account: The Company does not have any Demat Suspense Account or unclaimed Suspense Account

T. The Company has not obtained any credit rating on Debt Instruments or Fixed Deposit Programme in FY 2021-22 Since it does not have any Debt Instruments or Fixed Deposit Programme. CRISIL Credit Rating was re-affirmed for long term "CRISIL BBB-/Stable" and short term "CRISIL A3" of Bank loan facilities.

U. Preferential Allotment or Qualified Institutions placement:

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2021-22.

V. DISCLOSURES:

i. Strictures and Penalties:

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

ii. Compliance with Indian Accounting Standards:

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

iii. CEO and CFO Certification:

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

iv. Internal Control System and their adequacy:

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

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

v. Related Party Transactions:

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

Transactions with the related parties are disclosed under Note No. 29 to the financial statements in the Annual Report. The Board of Directors has approved a policy of related party transactions which has been uploaded on the website of the Company www.ecoplastindia.com

vi. Risk Management:

The Company recognizes that risk is an integral part of any business activity. The Company is aware of the risks associated with the business and has well defined process in place to ensure appropriate

identification and treatment of risk. This will facilitate not only risk assessment and timely rectification but also help in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations. There are no risks which in the opinion of the board threatens the existence of the company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

vii. Vigil Mechanism (Whistle Blower Policy):

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

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

viii. Policy of determining Material Subsidiary:

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

ix. Commodity Price Risks and Commodity hedging activities:

During the year 2021-22 the company closely monitored movement of commodity prices. Further the company has not undertaken any hedging activities on commodity and its open exposers stands NIL for the year. Disclosure on risk forms part of Management Discussion and Analysis Report.

- x. A certificate from Parikh & Associates, Practicing Company Secretaries has been received stating that none of the directors on the Board of the company are debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to this Report.
- xi. Statutory Auditor's fee: The Company and its subsidiary company has paid the fee to the Statutory Auditor for all the services provided by them during the year, as detailed below:

(Rs. in 000')

Particulars	Payment to Company's Statutory Auditors	Payment to Subsidiary Company's Statutory Auditors
Audit Fees	400	20
Tax Audit Fees	80	•
Certification and Other Services	140	1
Reimbursement of expenses	36	ı
Total	656	20

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 2021-22.

- 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, 2022 are in compliance with the requirements of Corporate Governance under Listing Regulations. The requisite certificate of the Company Secretary in Practice confirming compliance of this condition is attached to the report on the Corporate Governance.

- xiii. The Board of Directors of the Company have accepted all the recommendations submitted by the Committees which are mandatorily required, during the financial year.
- ix. No loans and advances made to any firm/ company in which directors of the company are interested.

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, 2022 does not contain any modified Audit opinion.

Reporting of Internal Auditor:

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

For and on behalf of the Board of Directors

Date: 27th May, 2022 Jaymin B. Desai Atul Baijal

Place: Valsad Managing Director Whole-time Director

DIN: 00156221 DIN: 09046341

COMPLIANCE WITH CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2022.

For Ecoplast Limited

Jaymin B. Desai Managing Director DIN: 00156221

Date: 27th May 2022

Place: Valsad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To. The Members of **ECOPLAST LIMITED** N H Road No 8, Water Works Cross Road, Abrama Valsad 396001

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate

Affairs, or any such other Statutory Authority.

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

^{*}The date of appointment is as per the MCA Portal.

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

> For Parikh & Associates Company Secretaries

Mitesh Dhabliwala

Partner

FCS No: 8331 CP No: 9511 UDIN: F008331D000187114

PR No.: 1129/2021

Date: April 22, 2022 Place: Mumbai

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

To, The Board of Directors Ecoplast Limited

We have reviewed the financial statements and the cash flow statement of Ecoplast Limited for the year ended 31st March, 2022 and that to the best of our knowledge and belief, we state that;

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

JAYMIN B. DESAI

MANAGING DIRECTOR

DIN: 00156221

Place: Valsad

Date: 27th May, 2022

VAIBHAV KUMAR TOTLA CHIEF FINANCIAL OFFICER

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, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and subject to the disclosures made by the management in the Corporate Governance Report, 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 generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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 Company Secretaries

Place: Mumbai

Date: April 22, 2022

Mitesh Dhabliwala

Partner

FCS No: 8331, CP No: 9511 UDIN: F008331D000187048

PR No.: 1129/2021

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, 2022, 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, 2022, 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 skepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. Based on such examination, representations given by the management as per the requirements of Rule 11(e)(i) and (ii), nothing has come to our notice that has caused us to believe that the above-mentioned representations contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Date :- 27th May, 2022

Place :- Surat

Mayank Y. Desai Partner

Membership No. :- 108310 UDIN: 22108310AKSGWK5674

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, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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, 2022, 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

Date :- 27th May, 2022

Place :- Surat

Mayank Y. Desai

Partner

Membership No. :- 108310 UDIN: 22108310AKSGWK5674

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has no intangible assets, therefore reporting under 3(i)(a) not applicable
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the property tax receipts for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act,
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
 - (b) The Company has been has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets, and the quarterly returns or statements filed by the company with such bank is in agreement with the books of account of the Company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

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

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

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been applicable for the company under the Company under sub-section (I) of section I48 of the Companies Act, 2013, hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services taX, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax. Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act. 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act. 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

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

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

Date: 27th May, 2022

Place: Surat

Partner

Name: CA Mayank Y. Desai

M. No.: 108310

UDIN: 22108310AKSGWK5674

Ecoplast Limited Balance Sheet as at 31st March, 2022

CIN: L25200GJ1981PLC004375

(Rs. in '000)

				(Rs. in '000)
	Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
(1)	Non-current assets			
` '	(a) Property, Plant and Equipment	2	1,57,901	1,65,628
	(b) Capital work-in-progress	2	162	6,489
	(c) Investment in Subsidiary	3	-	-
	(c) Financial Assets			
	(i) Investment in Subsidiary	3	7,270	7,538
	(ii) Others	4	2,431	1,792
	(d) Deferred tax Assets (Net)	13	3,194	-
	(e) Other non-current assets	5	18,644	10,163
	Total Non-current assets		1,89,602	1,91,609
/21	Current assets			
(2)	(a) Inventories	6	1 30 364	1.02.211
	(b) Financial Assets	0	1,29,264	1,02,211
	(i) Trade Receivables	7.1	2,00,624	2,01,719
	``	7.1		
	(ii) Cash and cash equivalents	l	4,307	751
	(iii) Bank balances other than (ii) above	7.3	5,651	3,612
	(iv) Loans	7.4	7,049	2,134
	(v) Other financial assets	7.5	1,541	1,154
	(c) Other current assets	8	6,410	10,663
	_ ,			
	Total current assets		3,54,846	3,22,243
	TOTAL ASSETS		E 44 440	E 42 0E3
	TOTAL ASSETS		5,44,448	5,13,852
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	9	30,000	30,000
	(b)Other Equity	10	2,67,249	2,87,379
	Total equity		2,97,249	3,17,379
l	Liabilities			
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11.1	26,398	46,127
	(ii) Lease Liability	11.2	1,017	2,517
	(b) Provisions	12	8,503	7,149
	(c) Deferred tax liabilities (Net)	13	-	4,008
	Total non current liabilities		35,918	59,801
(2)	Current liabilities			
(2)	(a) Financial Liabilities			
	(i) Borrowings	14.1	1,09,407	34,369
	(ii) Lease Liability	14.4	2,527	3,891
	(iii) Trade payables	13.3	2,521	3,031
	` ' ' '			
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	14.2	13,150	1,637
	· ·			
	b) Total Outstanding Dues of Creditors Other			
	than Micro Enterprises and Small Enterprises	14.2	62,005	83,297
	(iv) Other financial liabilities	14.3	3,008	2,461
	(iv) Lease Liability	14.3	-	-
	(b) Other current liabilities	15	14,925	7,375
	(c) Provisions	16	6,259	3,643
	Total current liabilities		2,11,281	1,36,672
	TOTAL EQUITY AND LIABILITIES		5,44,448	5,13,852

The accompanying notes from 1 to 39 are an integral part of the financial statements

As per our Report of even date.

For Y.B. Desai & Associates For and on behalf of the Board of Directors

Chartered Accountants

Firm ICAI Registration No. 102368W

JAYMIN B. DESAI **ATUL BAIJAL** MAYANK Y. DESAI Managing Director Whole-time Director DIN 00156221 DIN 09046341 Partner

Membership No : 108310

UDIN: 22108310AKSGWK5674

RAKESH KUMAR KUMAWAT

VAIBHAV KUMAR TOTLA Company Secretary Chief Finance Officer

Place: Surat Place: Valsad Date : 27th May 2022 Date: 27th May 2022

Statement of Profit and Loss for the year ended 31st March, 2022

CIN: L25200GJ1981PLC004375

(Rs. in '000)

	T	, ,		(RS. In 1000)
Sr. No.	Particulars	Note No.	For the year ended	For the year ended
	1		31st March, 2022	31st March, 2021
ı	Revenue from Operations	17	9,41,143	7,53,726
i	Other Income	18	8,468	9,276
iii	TOTAL INCOME (I+II)	'	9,49,611	7,63,002
IV	Expenses		3,10,311	1,00,002
••	Cost of materials consumed	19	7,02,834	5,20,903
	Purchase of Stock in-trade		8,864	3,755
	Changes in inventories of finished goods,			
	stock in trade and work-in-progress	20	(11,242)	5,266
	Employee benefits expense	21	94,975	84,882
	Finance costs	22	10,614	11,310
	Depreciation and amortization expense	2	26,593	27,305
	1 .	23	1,42,505	1,06,254
	Other expenses	23	1,42,505	1,06,254
	TOTAL EXPENSES (IV)		9,75,144	7,59,676
V	Profit/(loss) before tax (III-IV)		(25,533)	3,327
VI	Tax expense:		(=0,000)	-,-=:
	(1)Current tax		(374)	(1,904)
	(2)Deferred tax		7,794	825
	(3)Tax in respect of Earlier Years		707	107
			8,127	(972)
VII	Profit / (Loss) for the year (V-VI)		(17,406)	2,354
VIII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit		(0.404)	(4.00)
	plans		(2,131)	(192)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(593)	(54)
IX	Total comprehensive income for the year (VII+VIII)		(20,130)	2,108
Х	Earnings per equity share:	24		
	Basic and Diluted		(5.80)	0.78

The accompanying notes from 1 to 39 are an integral part of the financial statements

As per our Report of even date.

For Y.B. Desai & Associates For and on behalf of the Board of Directors

Chartered Accountants

Firm ICAI Registration No. 102368W

JAYMIN B. DESAI ATUL BAIJAL
MAYANK Y. DESAI Managing Director Whole-time Director
Partner DIN 00156221 DIN 09046341

Membership No : 108310 UDIN: 22108310AKSGWK5674

RAKESH KUMAR KUMAWAT VAIBHAV KUMAR TOTLA

Company Secretary Chief Finance Officer

Place: Surat Place: Valsad
Date: 27th May 2022 Date: 27th May 2022

Ecoplast Limited Cash Flow Statement for the year ended 31st March, 2022 CIN - L25200GJ1981PLC004375

Particulars	For the <i>y</i> e	ear ended ch, 2022	For the ye	
	(Rs. ir	ո '000)	(Rs. ir	'000)
A. Cash flow from operating activities				
Net Profit / (Loss) before Tax as per Statement of Profit and Loss		(25,533)		3,327
Adjustments for:	00.500		00.504	
Depreciation and amortization and impairment	26,593		26,584	
(Profit) / loss on sale / write off of assets (net)	3,153		(103)	
Finance costs	10,614		11,310	
Interest income	(489)		(475)	
Other Comprehensive Income Provision for doubtful trade and other receivables, loans and advances	(2,131) 12,875		(192) 899	
Provision for doubtful trade and other receivables, loans and advances	12,075	50,615	099	38,022
Operating profit before working capital changes		25.082		41,349
Changes in working capital:		20,002		41,040
Adjustments for (increase) / decrease in operating assets:				
Inventories	(27,053)		2,754	
Trade receivables	(11,780)		5,201	
Short-term loans and advances	(4,915)		1,070	
Non Current Financial Assets	(372)		(965)	
Other Current financial assets	(387)		3,528	
Other Non current assets	(7,774)		(1,670)	
Other Current assets	4,253		2,193	
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	(9,779)		8,959	
Other Current liabilities	7,550		6,286	
Other Financial and lease liability	(2,318)		16,992	
Short-term provisions	2,616		664	
Long-term provisions	1,355		870	
		(48,605)		45,882
		(23,523)		87,231
Cash generated from operations		(23,523)		87,231
Net income tax (paid) / refunds		(374)		(1,904)
Not and flow from I found to a south or a stickly of (6)		(0.0.007)		05.007
Net cash flow from / (used in) operating activities (A)		(23,897)		85,327
B. Cash flow from investing activities				
Payment for property, plant and equipment , including capital advances	(16,202)		(12,522)	
Proceeds from sale of fixed assets	509		214	
Loans repaid by			4 505	
- Subsidiary Company	-		1,565	
Interest received - Subsidiary Company			294	
- Others	490		181	
- Outers	430	(15,203)	101	(10,267)
		(15,205)		(10,207)
		(15,203)		(10,267)
		(,=)		(,=,
Net cash flow from / (used in) investing activities (B)		(15,203)		(10,267)
		(,)		(,)
C. Cash flow from financing activities				
Proceeds / (Repayment) of long-term borrowings	(19,729)		11,001	
Net increase / (decrease) in Short term borrowings	75,039		(68,795)	
Finance cost	(10,614)		(11,310)	
Dividends paid	-		(4,500)	
		44,696		(73,604)
Net cash flow from / (used in) financing activities (C)		44,696		(73,604)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		5,596		1,456
Cash and cash equivalents at the beginning of the year				2.555
Balances with banks in current accounts, earmarked balances and deposit accou	ints I	4,074		2,562
Cash on hand		288		345
Cook and cook antibulants of the code of the code		0.050		4 000
Cash and cash equivalents at the end of the year		9,958		4,363

Ecoplast Limited

Cash Flow Statement for the year ended 31st March, 2022

CIN - L25200GJ1981PLC004375

Cash and cash equivalents at the end of the year Comprises :		
(a) Cash on hand	317	288
(b) Balances with banks in current accounts and deposit accounts	3,990	463
(c) Balances with banks in earmarked balances and deposit accounts	5,651	3,612
CASH AND CASH EQUIVALENTS.	9,958	4,363

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
- 2 The previous year's figures have been regrouped/ restated wherever necessary to confirm to this year's classification.
- 3 Earmarked account balances with banks can be utilized only for the specific identified purposes.

4 The Ammendments to Ind AS 7 Statement of Cash Flow requires the entities to provide disclosers that enables users of financial statements to evalute changes in liabilities arising from financial activities, including both changes arising from cash flow and Non cash Changes, suggesting inclusion of a reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities. The Required discloser is made below:

(Rs. in '000)

	As at	Cash	Flows	Non - Ca	sh Changes	As at
Particulars	31st March, 2021	Proceeds	Repayments	Fair Value Changes	Current / Non Current Classification	31st March, 2022
Long Term Borrowings (Current and Non Current)	72,496	1	28,343	-	-	44,153
Short Term Borrowings	8,000	83,652	-	-	-	91,652

The accompanying notes from 1 to 39 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

Membership No : 108310

UDIN: 22108310AKSGWK5674

For and on behalf of the Board of Directors

JAYMIN B. DESAI Managing Director DIN 00156221 ATUL BAIJAL Whole-time Director DIN 09046341

RAKESH KUMAR KUMAWAT Company Secretary

VAIBHAV KUMAR TOTLA Chief Finance Officer

 Place: Surat
 Place: Valsad

 Date: 27th May 2022
 Date: 27th May 2022

Ecoplast Limited Statement of changes in equity for the year ended 31st March, 2022

a. Equity Share Capital:

(Rs. in '000)

Particulars	Amount
Balance as at the 31 March 2021	30,000
Changes in equity share capital during 2021-22	-
Balance as at the 31 March 2022	30,000

b. Other Equity:

(Rs. in '000)

	Re	eserves and Surpl	lus	Other	
Particulars	General Reserve	Securities Premium	Retained Earnings	Comprehensive Income (OCI)	Total Equity
As at 31st March, 2020	50,781	30,000	2,14,769	(5,779)	2,89,771
Profit for the year	_	<u>-</u>	2,354		2,354
Corporate Dividend			(4,500)		(4,500)
Corporate Dividend Tax			- (.,,		-
Other comprehensive income for the year	_	_			
Remeasurement of the Net Defined benefit liability/Asset, net of tax effect	-	-		(246)	(246)
As at 31st March, 2021	50,781	30,000	2,12,623	(6,025)	2,87,379
Profit / (Loss) for the year			(17,406)		(17,406)
Corporate Dividend			(11,100)		-
Corporate Dividend Tax			-		-
Other comprehensive income for the year					-
Remeasurement of the Net Defined benefit	_	_	_	(2,724)	(2,724)
Liability/asset, net of tax effect			_	(2,127)	(2,127)
As at 31st March, 2022	50,781	30,000	1,95,217	(8,749)	2,67,249

The accompanying notes from 1 to 39 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: 22108310AKSGWK5674 JAYMIN B. DESAI Managing Director DIN 00156221 ATUL BAIJAL Whole-time Director DIN 09046341

RAKESH KUMAR KUMAWAT Company Secretary

VAIBHAV KUMAR TOTLA Chief Finance Officer

Place: SuratPlace: ValsadDate: 27th May 2022Date: 27th May 2022

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.

1. Statement of Significant Accounting Policies

Basis of Preparation:

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

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

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

1.1. Use of Judgment and Estimates:

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

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

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

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 Statement of Profit and Loss on consumption.

- 1.2.6. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognised.
- 1.2.7. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.

1.3. Depreciation

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

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

1.4. Intangible Assets

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 judgment 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

Ecoplast Limited

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

1.11 Revenue Recognition

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

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

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

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

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

1.12 Classification of Income/ Expenses

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

1.13 Employee benefits

1.13.1. Short term employment benefits

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

1.13.2. Defined Contribution Plans

→ Superannuation:

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

Ecoplast Limited

→ Employee's Family Pension :

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

→ Provident Fund:

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

1.13.3. Defined Benefit Plans

→ Gratuity:

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

→ Compensated Absences:

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

1.13.4. Termination Benefits:

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

- 1.13.5. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.
- 1.13.6. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.
- 1.13.7. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.
- 1.13.8. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.14 Foreign Currency Transactions

1.14.1. Monetary Items

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

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

1.14.2. Non - Monetary items:

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

1.15 Investment in Subsidiaries

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

1.16 Government Grants

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

1.17 Provisions, Contingent Liabilities and Capital Commitments

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

1.18 Fair Value measurement

- 1.18.1. The Company measures certain financial instruments at fair value at each reporting date.
- 1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- 1.18.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

- 1.18.5. While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
 - → Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - → Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - → Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 1.18.6. When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- 1.18.7. If there is no quoted price in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.
- 1.18.8. The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19 Financial Assets

1.19.1. Initial recognition and measurement

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

1.19.2. Subsequent measurement

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

Debt instruments at amortised cost

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

The asset is held within a business model whose objective is

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

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

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

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

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

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

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

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

Equity investments

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

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

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

1.19.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when

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

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

1.19.4. Impairment of financial assets

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

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

1.20 Financial Liabilities

1.20.1. Initial recognition and measurement

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

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

1.20.2. Subsequent measurement

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

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

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

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.21 Financial guarantees

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

1.22 Embedded derivatives

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

1.23 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.24 Taxes on Income

1.24.1. Current Tax

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

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

1.24.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

Ecoplast Limited

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

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

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

1.25 Earnings per share

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

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

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

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

1.27 Cash and Cash equivalents

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

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

1.28 Cash Flows

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

(Rs. in '000)

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2022

2 Property, Plant and Equipment & Intangible Assets

Particulars	Freehold land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying value as on March 31 , 2020	5,096	44,384	1,90,156	2,235	8,214	6,517	2,56,602
Additions	•	252	3,853	106	1	1,619	5,830
Deletions	•	•	-	•	1,526	183	1,710
Gross Carrying value as on March 31, 2021	5,096	44,636	1,94,009	2,340	6,688	7,953	2,60,722
Additions	-	890	20,688	157	1	1,231	22,967
Deletions	1	1	6,602	83	_	312	966'9
Gross Carrying value as on March 31, 2022	960'9	45,526	2,08,095	2,415	6,688	8,873	2,76,692
Accumulated depreciation as on March 31, 2020	ı	6,378	65,042	628	1,962	3,549	77,558
Depreciation charge for the year	1	2,122	20,688	250	996	1,338	25,365
Depreciation on deletion	1	1			1,436	163	1,599
Accumulated depreciation as on March 31, 2021	•	8,500	85,729	879	1,492	4,724	1,01,324
Depreciation charge for the year		2,040	20,053	245	594	1,290	24,222
Depreciation on deletion		1	3,027	34	Ī	274	3,335
Accumulated depreciation as on March 31, 2022	•	10,539	1,02,756	1,090	2,086	5,740	1,22,212
At 31st March, 2020	5,096	38,006	1,25,114	1,606	6,252	2,969	1,79,044
At 31st March, 2021	5,096	36,136	1,08,279	1,462	5,196	3,229	1,59,398
At 31st March, 2022	5,096	34,987	1,05,339	1,325	4,601	3,133	1,54,480

(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

Carrying amount Capital work∹in-progress

2 Capital work-in-progress

(Rs. in '000)

As at 31st March, 2021

As at 31st March, 2022 162

Ageing of Capital work-in-progress

As	As at 31st March, 2022	2022			
Projects in progress	< 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
	162	-		1	162

	As at 31st March, 2021	, 2021			
jects in progress	< 1 Year	1-2 Year	2-3 Year	> 3 Year	Total
	98	6,403	•	1	6,489

There are no overdue projects as at 31st March, 2022 and as at 31st March, 2021.

2 Leased Assets

	(Rs. in '000)	
Particulars	Buildings	
Gross Carrying value as on March 31, 2020	1,867	(a) The Company has adopted Ind AS 116 effective 1st April, 2019, using the
Additions	066,7	modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st
Deletions	1,311	1,311 April, 2019). Accordingly, previous period information has not been restated.
Gross Carrying value as on March 31, 2021	7,945	
Additions	ı	
Deletions	439	
Gross Carrying value as on March 31 , 2022	7,507	
Accumulated depreciation as on March 31, 2020	303	
Depreciation charge for the year	1,940	In the statement of profit and loss for the current year, operating lease
Depreciation on deletion	528	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
Accumulated depreciation as on March 31, 2021	1,715	
Depreciation charge for the year	2,371	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
Depreciation on deletion	ı	liabilities recognised in the balance sheet at the date of initial application.
Accumulated depreciation as on March 31, 2022	4,085	
Net Carrying value		
At 31st March, 2020	1,564	
At 31st March, 2021	6,231	(b) The Company's leases of building for warehouse facilities and office premises
At 31st March, 2022	3,421	

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2022

3 INVESTMENTS IN SUBSIDIARY

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment in Equity Shares of a Subsidiary Company		
Total Value of Investments	11,954	11,954
Less: Impairment of Investments	4,683	4,416
Total	7,270	7,538

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 OTHER FINANCIAL ASSETS

(Rs. in '000)

Particulars	As at 31st March,	As at 31st March, 2021
Security deposits	1,593	1,568
Loans and advances to employees - Considered Good-Unsecured	838	224
Total	2,431	1,792

5 OTHER NON CURRENT ASSETS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Prepaid Expenses	318	559
Capital Advances	9,467	630
Advance income tax net of provisions	8,790	8,905
CST & VAT receivable on Assessment	68	68
Total	18,644	10,163

6 INVENTORIES

(Rs. in '000)

		(NS. III 000)
	Asat	As at
Particulars	31st March,	31st March,
	2022	2021
Raw materials	76,606	64,049
Raw-Materials in-transit	11,170	9,591
Work-in-progress	17,191	11,897
Finished goods	5,485	4,580
Finished Goods in-transit	14,191	9,147
Packing Material , Stores and Spares	4,578	2,895
Others - Scrap	43	52
Total	1,29,264	1,02,211

- (i) The mode of valuation has been stated in Note 1.10
- (ii) Inventories have been hypothecated as security for borrowings

7.1 TRADE RECEIVABLES

		(RS. IN TUUU)
Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Trade Receivables Considered Good-Unsecured	2,00,607	1,97,986
(ii) Trade Receivables which have a significant increase in Credit Risk	18	4,311
(iii) Trade receivable -Credit Impaired	14,298	846
Less: Allowance for Credit loss	14,299	1,424
Total	2,00,624	2,01,719

Includes Trade receivable from Related Parties: Rs. 4,79,458 /- (Previous Year Rs. Nil) Refer Note No. 29

Ageing of Trade Receivable

/De in '000\

Ageing of Trade Receivable							(KS. III 000)
Particulars			As at 31	st March, 202	2		
Failiculai 5	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,49,601	51,006	-	-	-	-	2,00,607
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	18	-	-	-	18
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	9,755	4,125	-	-	418	14,298

Particulars			As at 31	st March, 202	1		
rai uculai s	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,55,394	42,592	-	-	-	-	1,97,986
Undisputed Trade Receivables – which have significant increase in credit risk	-	978	75	3,258	-	-	4,311
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	428	418	846

Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2022

7.2 CASH AND CASH EQUIVALENTS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Balances with banks In current accounts (ii) Cash in hand	3,990 317	463 288
Total	4,307	751

7.3 BANK BALANCES

(Rs. in '000)

(17.51 11 000)				
Particulars	As at 31st March, 2022	As at 31st March, 2021		
In Fixed Deposit Accounts, held as margin money against Letter of Credit & Bank Guarantee	4,943	2,751		
Unpaid dividend accounts	708	861		
Total	5,651	3,612		

7.4 LOANS - CURRENT

(Rs. in '000)

Particulars	As at 31st March,	As at 31st March, 2021
Balances with Government Authorities		
GST/Cenvat credit receivable	6,294	1,437
Loans and Advances to employees - considered good - unsecured	754	697
Total	7,049	2,134

7.5 OTHER FINANCIAL ASSETS

(Rs. in '000)

	(17.5.11.000)					
	As at	As at				
Particulars	31st March,	31st March,				
	2022	2021				
Interest accrued on Fixed Deposits with Banks & Other Deposits	127	77				
Discount Receivable	1,414	1,077				
Total	1,541	1,154				

8 OTHER CURRENT ASSETS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
TDS Refund Receivable	361	361
GST-Refund Receivable - Export	-	398
GST-Sales In Transit	1,096	316
Prepaid expenses	4,225	3,613
Advance to Trade Payables	728	5,975
Total	6,410	10,663

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2022

9 EQUITY SHARE CAPITAL

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised	,	,
1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs. 10/- each_fully paid up	30,000	30,000
Total	30,000	30,000

Notes:

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

Authorised share capital:	No. of shares	(Rs. in '000)
Balance as at 31st March,2021	1,00,00,000	1,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2022	1,00,00,000	1,00,000
Issued, Subscribed and paid up share capital:	No. of shares	(Rs. in '000)
Balance as at 31st March,2021	30,00,000	30,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2022	30,00,000	30,000

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

betains of shares new by each shareholder holding more dian 5% shares in the	Number of fully	
 Equity share of Rs. 10 each fully paid up with voting rights	paid equity shares	% Holding
Equity share of Rs. To each fully paid up with voting rights	paid equity snares	% notaling
L		
Mrs Amita J.Desai		
As at 31st March, 2021	5,42,246	18.07%
As at 31st March, 2022	5,42,246	18.07%
Mrs Charulata N. Patel		
As at 31st March, 2021	4,00,752	13.36%
As at 31st March, 2022	4,00,752	13.36%
Stuti J.Desai		
As at 31st March, 2021	1,55,960	5.20%
As at 31st March, 2022	1,55,960	5.20%
Silver Stream Properties LLP		
As at 31st March, 2021	4,76,827	15.89%
As at 31st March, 2022	4,76,827	15.89%

(viii) Details of Shareholding of Promoters / Promoters Group

betails of offactioning of Frontoccis / Frontoccis oroug	As	As at31st March, 2022		As at31st March, 2021		
Particulars	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Amita Jaymin Desai	5,42,246	18.07	0.00	5,42,246	18.07	0.00
Silver Stream Properties LLP	4,76,827	15.89	0.00	4,76,827	15.89	0.00
Charulata Nitinbhai Patel	4,00,752	13.36	0.00	4,00,752	13.36	0.00
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
Promoter Group						
Stuti J Desai	1,55,960	5.20	0.00	1,55,960	5.20	231.01
Jaymin Balvantrai Desai	1,22,335	4.08	0.00	1,22,335	4.08	18.72
Nitinkumar Manubhai Patel	1,18,061	3.94	0.00	1,18,061	3.94	0.00
Jankee J Desai	78,116	2.60	0.00	78,116	2.60	0.00
Kunal Plastics Private Limited	36,440	1.21	0.00	36,440	1.21	0.00
Aditya Nitinkumar Patel	31,962	1.07	0.00	31,962	1.07	0.00
Nargis Pheroze Kharas	23,400	0.78	0.00	23,400	0.78	0.00
Nilay Nitinkumar Patel	11,565	0.39	0.00	11,565	0.39	0.00
Jaymin Balvantrai Desai HUF	6,176	0.21	0.00	6,176	0.21	0.00
Bhupendra B. Desai	-	0.00	0.00	-	0.00	-100.00
Indumati Balvantrai Desai	-	0.00	0.00	-	0.00	-100.00
Total	20,04,820	66.83		20,04,820	66.83	

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2022

10 OTHER EQUITY

(Rs. in '000)

		(113: 111 000)
Particulars	As at	As at
rai ucuiai s	31st March, 2022	31st March, 2021
(a) Securities premium		
•		
Balance as per last Balance Sheet	30,000	30,000
Closing Balance	30,000	30,000
(b) General reserve		
Balance as per last Balance Sheet	50,781	50,781
Add: Transferred from surplus in Statement of Profit and Loss	· -	-
Closing Balance	50,781	50,781
(c)Retained Earnings		
Balance as at beginning of the year	2,12,623	2,14,769
Add: Profit for the year	(17,406)	
Add. I folicitat alla year	1,95,217	2,17,123
Less: Appropriations		
Payment of final Dividend to equity shareholders (Rs 1.50 per_share)	-	4,500
Closing Balance	1,95,217	2,12,623
	.,,	
(d)Other Comprehensive income		
Balance as at beginning of the year	(6,025)	(5,779)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	(2,724)	(246)
	(8,749)	(6,025)
Total	2,67,249	2,87,379

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 paid to

Other Comprehensive income

These are actuarial gains/ losses on employee benefit obligations.

11 FINANCIAL LIABILITIES - NON CURRENT

11.1 NON CURRENT BORROWINGS

(Da in 1000)

		(RS. III 000)
	As at	As at
Particulars	31st March, 2022	31st March, 2021
Secured		
Term Loans		
Term Loan	24,536	43,360
Car Loan under Hire Purchase	1,862	2,767
Total	26,398	46,127

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.

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2022

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

Particulars	Rate of Interest (p.a.	(Rs. in '000)
Term Loan from Bank	9.50%	15,869
Term Loan from Bank	8.00%	8,667
Car Loan under Hire Purchase	8.30%	1,862
Total		26,398

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

Particulars	Maturity Profile (Amount in (R 1-2 years 3-4 years		Maturity Profile (A		s. in '000))
r ai ticulai 3			> 4 years		
Term Loan from Bank-VIII	15,869	-	-		
Term Loan from Bank-VIII	8,667	-	-		
Car Loan under Hire Purchase	1,862	-			
Term Loan from Bank & Others	26,398	-	-		

11.2 LEASE LIABILITIES

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Rent Liability	1,017	2,517
Total	1,017	2,517

12 PROVISIONS

(Rs. in '000)

		(1101 111 000)
Particulars	As at	As at
	31st March, 2022	31st March, 2021
Provision for employee benefits:		
Provision for compensated absences	8,503	7,149
Total	8,503	7,149

13 DEFERRED TAX LIABILITIES (NET)

(Rs. in '000)

		(Rs. in '000)
Particulars	As at 31st March, 2022	As at
Tax effect of items constituting deferred tax liability	31St Warch, 2022	31st March, 2021
On difference between book balance and tax balance of fixed assets Loan to subsidiary	8,244 -	10,693 82
Tax effect of items constituting deferred tax liability	8,244	10,775
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	4,888	3,002
Provision for doubtful debts / advances	3,978	396
Provision for diminution in the value of investments	1,586	1,586
On Account of Retiring Gratuity	-	- 1
Adjustment to Right to use asset	986	1,783
Tax effect of items constituting deferred tax assets	11,438	6,767
Net deferred tax (Liability) / Asset	3,194	(4,008)

14 FINANCIAL LIABILITIES - CURRENT

14.1 BORROWINGS (SHORT TERM)

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loans repayable on demand		
From banks		
Secured	83,652	-
Un Secured	-	
Current maturities of long-term Secured Debts	17,755	26,369
From Others - Unsecured	-	
Inter Corporate Deposits (@ 9.00%pa)	8,000	8,000
Total	1,09,407	34,369

Ecoplast Limited

Notes to Financial Statements for the year ended 31st March, 2022

(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

The rate of interest of the said facility ranges from 8.9% to 10% Per annum.

(ii) The above are valued at Amortized cost

14.2 TRADE PAYABLES

(Rs. in '000)

Particulars	As at	As at
	31st March, 2022	31st March, 2021
Trade payables:		
Micro, Small and Medium Enterprises	13,149	1,637
Trade Payable to Related Party	411	150
Others	61,594	83,147
Total	75,155	84,934

 $^{
m (i)}$ Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2022 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows

(Rs. in '000) Asat As at Particulars 31st March, 2022 Principal Amount due and remaining unpaid 135 Interest due on above and the unpaid interest Interest paid during the year Payment made beyond the appointed day during the year 3,056 6,890 Interest due and payable for the period of delay 53 Interest accrued and remaining unpaid 53 13 Amount of further interest remaining due and payable in succeeding years

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

(ii) Ageing of Trade Payables:

(Rs. in '000) Total 13,149

As at31st March, 2022 Particulars Not Due 9,414 Less than 1 Year 3,735 1 to 2 Year 2 to 3 Year More than 3 Year (i) MSME (ii) Others 9,995 (iii) Disputed dues - MSME (iv) Disputed dues - Others

Particulars	As at31st March, 2021					
raticulais	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	19	1,618	-	-	-	1,637
(ii) Others	72,468	8,852	1,629	349	-	83,297
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

14.3 OTHER FINANCIAL LIABILITIES

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unclaimed dividends	709	860
Unclaimed matured deposits and interest accrued thereon	15	19
Others -Net Salaries & Wages Payable	2,285	1,582
Total	3,008	2,461

14.4 LEASE LIABILITIES

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease rent Liability	2,527	3,891
Total	2,527	3,891

15 OTHER CURRENT LIABILITIES

(Pe in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other payables		
Statutory dues payable	2,593	1,587
Advances from customers	12,332	5,787
Total	14,925	7,375

16 PROVISIONS

		(13.111 000)
Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits:		
Provision for bonus	2,770	2,807
Provision for compensated absences	392	691
Provision for gratuity	3,096	145
Total	6,259	3,643

Ecoplast Limited Notes to Financial Statements for the year ended 31 st March, 2022

17 REVENUE FROM OPERATIONS

(Rs. in '000)

Particulars	For the year	For the year
	ended	ended
	31st March, 2022	31st March, 2021
Sale of products		
Manufactured goods		
Plastic Film	9,12,096	7,34,256
Others	13,666	7,283
Traded goods		
Others	8,982	4,747
Other operating revenues		
Sale of Scrap	1,373	1,812
Services rendered	5,026	5,629
Total	9,41,143	7,53,726

Footnote:

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

(Rs. in '000)

Particulars	March 31, 2022	March 31, 2021
Revenue as per contracted price	9,51,077	7,66,966
Less: Adjustments		
Sales return	6,206	2,853
Sales Price/ Quantity Difference/ Quality claims	1,536	8,840
Development Cost - free Samples	350	215
Discounts	1,842	1,333
Revenue from contract with customers	9,41,143	7,53,726

Ecoplast Limited Notes to Financial Statements for the year ended 31 st March, 2022

18 OTHER INCOME

(Rs. in '000)

Particulars	For the year For the	
	ended	ended
	31st March, 2022	31st March, 2021
Interest income		
Interest from banks on Fixed Deposits	114	125
Interest on Deposit with Dakshin Gujarat Vij Co Ltd. &	323	
Others	323	-
Interest on Employees Loan	52	56
Interest on loan to subsidiary	-	294
Other non-operating income		
Profit on sale of fixed assets	454	103
Insurance Claim Received	2,112	363
Gain on foreign currency transactions and translation	3,426	3,218
(not)	,	
Impairment Provision written Back	-	833
Excess Provision for Gratuity	-	759
Supervision Charges	9	92
Miscellaneous income	1,908	1,373
Sundry Creditors W.back/ W.off	72	9
Export Incentive - MEIS Duty Script	-	2,050
Total	8,468	9,276

Ecoplast Limited Notes to Financial Statements for the year ended 31 st March, 2022

19 COST OF MATERIALS CONSUMED

(Rs. in '000)

Particulars		For the year	For the year	
		ended	ended	
		31st March, 2022	31st March, 2021	
Opening Stock		64,101	51,978	
Add: Purchases		7,15,383	5,33,026	
Less: Closing Stock		76,649	64,101	
Total Cost of materials consumed		7,02,834	5,20,903	

20 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN-TRADE AND WORK IN PROGRE

(Rs. in '000)

Particulars	For the year	For the year
	ended	ended
	31st March, 2022	31st March, 2021
Inventories at the end of the year:		
Finished goods	18,923	13,728
Work-in-progress	17,191	11,897
Stock in-trade	753	-
	36,867	25,625
Inventories at the beginning of the year:		
Finished goods	13,728	15,030
Work-in-progress	11,897	15,860
Stock in-trade	-	-
	25,625	30,890
Net (increase) / decrease	(11,242)	5,266

21 EMPLOYEE BENEFIT EXPENSES

(Rs. in '000)

(K3. III 00		
Particulars	For the year	For the year
	ended	ended
	31st March, 2022	31st March, 2021
Salaries, Wages, Bonus and Other Allowances	83,301	75,528
Contributions to Provident and other funds	10,802	8,514
Staff Welfare expenses	872	840
Total	94,975	84,882

Foot note:

Contribution to Provident and other funds includes contribution to Provident fund for director Rs. 13,31,886/- (For 31st March, 2021: Rs. 4,89,543/-)

Ecoplast Limited Notes to Financial Statements for the year ended 31 st March, 2022

22 FINANCE COSTS

(Rs. in '000)

Particulars	For the year ended	For the year ended	
	31st March, 2022	31st March, 2021	
Interest expense	8,635	9,048	
Other Borrowing costs	1,979	2,262	
Total	10,614	11,310	

23 OTHER EXPENSES

(Rs. in '000)

Particulars	For the year	For the year
	ended	ended
	31st March, 2022	31st March, 2021
Consumption of Stores and Spare parts	810	914
Consumption of Packing Materials	19,304	18,875
Consumption of Printing Cylinders	1,847	1,656
Power and fuel	48,524	41,246
Conversion Charges Paid	994	63
Repairs and Maintenance - Buildings	2,972	702
Repairs and Maintenance - Machinery	9,357	3,743
Repairs and Maintenance - Others	518	497
Insurance	4,671	4,434
Rates and taxes	535	254
Communication	745	718
Travelling and Conveyance	994	656
Printing and Stationery	506	699
Freight and forwarding	17,374	14,465
Sales Commission	909	1,053
Sales discount	69	278
Business promotion	26	15
Donations and contributions	300	300
CSR Expenditure	700	1,000
Motor Car Expenses	857	707
Security Charges	2,122	2,216
Directors Sitting Fees	600	900
Commission to Non-Executive Directors	-	24
Legal and Professional	4,019	4,952
Payments to Auditors (see note below)	656	675
Provision for doubtful trade receivables	12,875	899
Loss on Sales / Discarded Assets	3,606	-
Impairment Loss on Investment	268	-
Other Miscellaneous Expenses	6,349	4,310
Total	1,42,505	1,06,254

	For the year	For the year		
Particulars	ended	ended		
	31st March, 2022	31st March, 2021		
Payments to the auditors comprises				
to statutory auditors				
Audit Fees	400	400		
Tax Audit Fees	80	80		
Certification and Other Services	140	143		
Reimbursement of Expenses	36	53		
Total	656	675		

Ecoplast Limited

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

24 Earnings per share (EPS)

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

i. Profit attributable to Equity holders of Company

(Rs. in '000)

	For the year ended 31st March, 2022	•
Profit / (Loss) attributable to equity holders of the		
company for basic and diluted earnings per share	(17,406)	2,354

ii. Weighted average number of ordinary shares

		(113.111 000)	
	For the year ended For the year end		
	31st March, 2022	31st March, 2021	
Number of issued equity shares	3,000	3,000	
Nominal Value per share	10	10	
Weighted average number of shares at 31st March for			
basic and diluted earnings per share	3,000	3,000	
Basic and Diluted earnings per share (in Rs)	(5.80)	0.78	

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

25 Tax Expense

(a) Amounts recognised in profit and loss		(Rs. in '000)
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense		
Current year	374	1,904
Short/(Excess) provision of earlier years	(707) (107)
Deferred tax expense		
Origination and reversal of temporary differences	(7,794	(825)
Tax expense recognised in the income statement	(8,127	972

(b) Amounts recognised in other comprehensive income					(Rs. in '000)	
Particulars	For the year ended 31st March, 2022			For the year ended 31st March, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or Remeasurements of the defined benefit plans	(2,131)	(593)	(2,724)	(192)	(54)	(246)
	(2,131)	(593)	(2,724)	(192)	(54)	(246)

(c) Reconciliation of effective tax rate

(Rs.	in 'C	(000
------	-------	------

(c) Reconciliation of effective tax rate (Rs. in '				(Rs. in '000)		
Particulars	-	For the year ended 31st Mar, 2022		For the year ended 31st March, 2021		
	%	Amounts	%	Amounts		
Profit before tax		(25,533)		3,327		
Tax using the Company's domestic tax rate Tax effect of:	0	(7,103)	0	925		
Expenses not deductible for tax purposes Income exempt from Income taxes	(O)	7,477	0	979		
Short/(Excess) provision of earlier years Profit on sale/discard/impairment of Fixed Assets	0	(707)	(0)	(107)		
Interest on Income tax						
Tax due to change in tax rate Others		(7,794)	(0)	(925)		
Effective income tax rate	0	(8,127)	(0) 0	(825) 972		

(d) Movement in deferred tax

Particulars	As a	ıt 31st Mar, 20.	21	As at 31st March, 2022			
	Net balance	Recognized	Recognized	Net	Deferred tax	Deferred tax	
	March 31, 2021	in profit or	in OCI		asset	liability	
		loss					
Tax effect of items constituting deferred tax liabi	lity						
On difference between book balance and tax							
balance of fixed assets	10,693	(2,449)		8,244		8,244	
Loan to subsidiary	82	(82)		-		-	
Financial Guarantee	-	-		-		-	
Provision for compensated absences, gratuity and							
other employee benefits	(3,002)	(2,478)	593	(4,888)	4,888		
Provision for doubtful debts / advances	(396)	(3,582)		(3,978)	3,978		
Provision for diminution in the value of investments	(1,586)	-		(1,586)	1,586		
Loan to subsidiary	-	-		-	-		
On Account of Retiring Gratuity	-	-		-	-		
Financial Guarantee	-	-		-	-		
Adjustment to Right to use asset	(1,783)	797		(986)	986	-	
Tax assets (Liabilities)	4,008	(7,794)	593	(3,194)	11,438	8,244	
	-	-		-			
Tax assets (Liabilities) (Net)	4,008	(7,794)	593	(3,194)	11,438	8,244	

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

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

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

(Rs in '000)

	, ,	(1.10.111.000)
Particulars	As at	As at
i ai ucuiai 3	31st Mar, 2022	31st March, 2021
Borrowings	26,398	46,127
Less: Cash and bank balances	4,307	751
Net debt	22,091	45,376
Total equity	2,97,249	3,17,379
Net debt to equity ratio	7.43%	14.30%

B Fair value measurement hierarchy:

(Rs. in '000)

							(r.s. iii	000)		
		As at			_	As	at			
Particulars	3.	1st Mar, 2	2022 31st March, 2021		31st March, 2021			31st March, 2021		
Particulars	0	Leve	of input u	sed in	Carrying	Lev	el of input use	ed in		
	Carrying amount	Level 1	Level 2	Level 3	amount	Level 1	Level 2	Level 3		
Financial assets										
At FVTPL										
ALFVIPL		-	-	-	-	-	-	-		
At FVTOCI		-	-	-	-	-	-	-		
At Amortized cost										
Trade Receivables	2,00,624	-	-	-	2,01,719	-	-	-		
Cash and cash equivalents	4,307	-	-	-	751	-	-	-		
Bank balances other than above	5,651	-	-	-	3,612	-	-	-		
Loans	9,480	-	-	-	3,925	-	-	-		
Other financial assets	1,541	-	-	-	1,154	-	-	-		
Financial liabilities										
At FVTPL		-	-	-	-	-	-	-		
At Amortized cost										
Borrowings	1,35,805	-	-	-	80,496	-	-	-		
Trade payables	75,155	-	-	-	84,934	-	-	-		
Other financial liabilities	3,008	-	-	-	2,461	-	-	-		
Lease Liability	3,544	-	-	_	6,408			l		

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, 2021.

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

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

C Calculation of fair values:

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

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

Ecoplast Limited

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

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 Mar, 2022

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.20,06,23,785/- and Rs.20,17,18,824/- as at March 31, 2022 and March 31, 2021, respectively.

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

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

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

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

Ageing of Trade receivables

(Rs. in '000)

Particulars	As at 31st Mar, 2022	As at 31st March, 2021
Not due 1 - 180 Days 181-360 Days 361-500 Days More Than 500 days	1,49,601 60,761 4,142 1 418	1,55,581 42,405 2,496 1,815 846
Allowance for doubtful trade receivables (Expected credit loss allowance)	(14,299)	(1,424)
Total	2,00,624	2,01,719

Movement in provisions of doubtful debts

(Rs. in '000)

Particulars	As at 31st Mar, 2022	As at 31st March, 2021
Opening provision	1,424	525
Add: Additional provision made (Net of Reversal)	12,875	899
Closing provision	14,299	1,424

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 99,57,441/- as at 31st March, 2022 (31st March, 2021: Rs. Rs. 43,62,646/-). The cash and cash equivalents are held with banks.

Ecoplast Limited

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

B Liquidity risk

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

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

Exposure to liquidity risk

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

(Rs. in '000)

	As at 31st Mar, 2021				
Dankanlana		Carrying amount			
Particulars	Carrying amount	More than five years			
Non-derivative financial liabilities					
Borrowings	80,496	34,369	46,127		
Trade and other payables	84,934	84,934	-	-	
Other financial liabilities	2,461	2,461	-	-	
	1,67,891	1,21,764	46,127	-	

	As at 31st Mar, 2022			
Particulars	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
Non-derivative financial liabilities				
Borrowings	1,35,805	1,09,407	26,398	
Trade and other payables	75,155	74,291	864	-
Other financial liabilities	3,008	3,008	-	-
	2,13,969	1,86,707	27,261	-

Ecoplast Limited

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

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:

	Liabilities	('in 000)	Assets ('in 000)
Particulars	As at 31st Mar, 2022	As at 31st March, 2021	As at 31st Mar, 2022	As at 31st March, 2021
In US Dollars (USD)	239	475	151	98
In Euro (EUR)	26	85	-	-

	Liabilities ('in 000)		Assets (in' 000)	
Particulars	As at 31st Mar, 2022	As at 31st March, 2021	As at 31st Mar, 2022	As at 31st March, 2021
in US Dollars (USD)	18,235	35,189	11,272	7,156
In Euro (EUR)	2,254	7,379	-	-

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

impact on profit or loss and total equity				
	USD impact			
Particulars	As at 31st Mar, 2022	As at 31st March, 2021		
Increase in exchange rate by 5%	(348)	(1,402)		
Decrease in exchange rate by 5%	348	1,402		

	Euro impact		
Particulars	As at 31st Mar, 2022	As at 31st March, 2021	
Increase in exchange rate by 5%	(113)	(369)	
Decrease in exchange rate by 5%	113	369	

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

Ecoplast Limited

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

E Commodity Risk

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

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

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

Ecoplast Limited

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

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.55,30,265/- (As at 31st March, 2021: Rs.45,20,363/-) for Provident Fund contributions and Rs.32,76,781/- (As at 31st March, 2021: Rs. 26,33,266/-) 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, 2022.

a) Changes in present value of obligations (PVO)	Gratuity - Funded		
	31st Mar, 2022	31st March, 2021	
Present Value of Benefit Obligation at the Beginning of the Period	20,590	19,389	
Interest cost	1, 4 31	1,336	
Past Service Cost	-	-	
Current service cost	1,310	1,183	
Benefits paid from the fund	(2,365)	(1,467)	
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(19)	113	
Actuarial (Gains)/Losses on Obligations - Due to Change in			
Financial Assumptions	2,197	(81)	
Actuarial (Gains)/Losses on Obligations - Due to Experience	624	117	
PVO at the end of the year	23,768	20,590	

Ecoplast Limited

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

(Rs. in '000)

b) Fair value of plan assets:	Gratuity	Gratuity - Funded		
b) Fall value of plan assets.	31st Mar, 2022	31st March, 2021		
Fair value of plan assets at the beginning of the year	20,445	20,540		
Adjustment to opening fair value of plan assets	-	-		
Return on plan assets excl. interest income	671	(44)		
Interest income	1,421	1,415		
Contributions by the employer	500	-		
Benefits paid from the fund	(2,365)	(1,467)		
Fair value of plan assets at the end of the year	20,672	20,445		
	-	(Rs. in '000)		

Gratuity - Funded c) Amount to be recognized in the balance sheet: 31st Mar, 2022 31st March, 2021 PVO at the end of period 23,768 20,590 Fair value of plan assets at end of the period 20,672 20,445 (3,096) Funded status (Surplus/(Deficit)) (145)Net (Liability)/Asset Recognized in the Balance Sheet (3,096)(145)

(Rs. in '000)

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded		
Ly expense recognized in the statement of profit of loss.	31st Mar, 2022	31st March, 2021	
Current service cost	1,310	1,183	
Net interest Cost	10	(79)	
Past Service Cost	-	-	
Expense recognized in the statement of profit or loss	1,320	1,104	

(Rs. in '000)

a) Other comprehensive income (OCI):	Gratuity - Funded		
e) Other comprehensive income (OCI):	31st Mar, 2022	31st March, 2021	
Actuarial (Gain)/Loss on Obligation for the period	2,802	149	
Return on plan assets excluding Interest Income	(671)	44	
Net (Income)/Expense For the Period Recognized in OCI	2,131	192	

(Rs. in '000)

f) Actual return on the plan assets:	Gratuity - Funded		
	31st Mar, 2022	31st March, 2021	
	2,092	1,371	
	2,002		

(Rs. in '000)

g) Category of Assets	Gratuity - Funded		
	31st Mar, 2022	31st March, 2021	
Insurance Fund	20,672	20,445	

(Rs. in '000)

h) Assumption:	Gratuity - Funded		
n) Assumption.	31st Mar, 2022	31st March, 2021	
Expected Rate on Plan Assets	7.23%	6.95%	
Rate of Discounting	7.23%	6.95%	
Rate of Salary Increase	8.00%	6.00%	
Rate of Employee Turnover	3.00%	3.00%	
Mortality Rate during employment	IALM(2012-14)	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 1.47% (P.Y. by decreased 2.16%) However the total salary increased by 3.711% (P.Y. Increased by 12.71%) during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 6.49% (P.Y. decreased by 8.43%).

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 Mar, 2022

i) Expected Payout:

(Rs. in '000)

Year	PVO payouts 31st Mar, 2022	PVO payouts 31st March, 2021
1st Following Year	1,462	2,222
2nd Following Year	1,736	1,085
3rd Following Year	5,222	2,941
4th Following Year	1,475	3,064
5th Following Year	801	2,769
Sum of years 6 to 10	11,720	7,062
Sum of years 11 and above	23,690	17,456

j) Sensitivity analysis

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

(Rs. in '000)

Particulars	31st Mar, 2022	31st March, 2021
Projected Benefit Obligation on Current Assumptions	23,768	20,590
Delta Effect of +1% Change in Rate of Discounting	(1,598)	(1,257)
Delta Effect of -1% Change in Rate of Discounting	1,826	1,430
Delta Effect of +1% Change in Rate of Salary Increase	1,541	1,222
Delta Effect of -1% Change in Rate of Salary Increase	(1,362)	(1,090)
Delta Effect of +1% Change in Rate of Employee Turnover	(39)	106
Delta Effect of -1% Change in Rate of Employee Turnover	46	(108)

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

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

(Rs. in '000)

			(NS. III 000)
	N - 4 -	As at	As at
	Note	31st Mar, 2022	31st March, 2021
Total employee benefit			
liabilities			
Other current liabilities	16	(3,096)	(145)
Other current assets	8	-	-

(k) General Assumptions

(i) Leave Policy:

Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31 March 2022 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

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

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: -

	la e i	(Rs. in '000)	
Sr No	Particulars	2021-22	2020-21
A)	Subsidiary Company Synergy Films Pvt.Ltd. Sales of Goods	1,012	1,888
В)	Key Managerial Personnel (KMP)		
	Mr.J.B.Desai : Managing Director Remuneration Paid	10,762	5,456
	Mr.Atul Baijal: Whole Time Director Remuneration Paid	5,374	654
	Mr. M. D. Desai : Chief Finance Officer (Resigned w.e.f. 31.03.22) Remuneration Paid	4,227	3,284
	Mr. Antony Alapat : Company Secretory (Resigned w.e.f. 31.10.21) Remuneration Paid	799	907
	Mr. Rakesh Kumawat : Company Secretory (Appointed w.e.f.13.12.2 Remuneration Paid	1) 271	-
C)	Directors		
	Mr. M. B. Desai : Chairman /Independent Director Sitting Fees Paid Commission Paid on Profit	210 -	300 156
	Mrs. C. N. Patel : Non Executive Director Sitting Fees Paid Commission Paid on Profit	180 -	210 156
	Mr. B. M. Desai : Independent Director Sitting Fees Paid Commission Paid on Profit	210 -	280 156
	Mr. J. A. Moos : Independent Director (Resigned w.e.f.11.08.21) Sitting Fees Paid Commission Paid on Profit	-	110 156
	Mr. D. T. Desai : Independent Director Sitting Fees Paid Commission Paid on Profit	- -	-

Ecoplast Limited Part of Financial Statements for the year ended 31st Mar, 2022

D)	Others :		
	Mr. Aditya N.Patel : Relative of Director Remuneration Paid	1,146	946
	Mrs. Amita J.Desai : Relative of Director Rent Paid	1,361	840
	Mr. Jay Shroff : Relative of Director Rent Paid	1,428	881
E)	Kunal Plastics Private Limited (Propack Industries)		
	Sales of Goods Purchase of Goods Render Services Receiving Services Balance Receivable Balance Payable	6,899 7,840 4,366 880 479 411	2,627 4,138 2,053 1,005 - 150

Transactions with KMP

Sr No	Particulars	2021-22	2020-21
	Short Term benefits	21,433	10,302
	Post employment benefits	-	-
	Other Long term benefits	-	-
	Termination benefits	-	-
	Share based payment	-	-

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

Footnotes:

- (i) All Related party transactions entered during the year were on ordinary course of business and are on arm's length basis.
- (ii) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Ecoplast Limited

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

30 (i) Capital Commitments

(Rs. in '000)

	Year ended	
	As at As at	
Particulars	31st Mar, 2022	31 March, 2021
On account of Capital Commitments (Net of advances)	4,952	142
TOTAL	4,952	142

(ii) Contingent liabilities

	Year ended	
Particulars	As at 31st Mar, 2022	As at 31 March, 2021
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	7,291	7,291
TOTAL	7,291	7,291

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

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 Mar, 2022

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 (Rs. in '000)

Amount O	utstanding	Maximum Balance outstanding during the year end		Investment by Subsidiary in Shares of the Company	
As at March	As at March	As at March	As at March 31,	As at March 31,	As at March 31,
31, 2022	31, 2021	31, 2022	2021	2022	2021
649	-	649	865	Nil	Nil

- 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 2022 Company is not in any default under the Scheme.
- 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 Inn'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, 2022 is Rs.29,12,325 (31st March, 2021: Rs. 23,70,357). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

(Rs. in '000) As at March As at March **Particulars** 31, 2022 31, 2021 Not later than one year 2.52 3.130 Later than one year but not later than five 1.017 4.336 vears More than five years Total minimum lease commitments 3.544 7.465

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.

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, 2022 (Rs. in '000)	As at March 31, 2021 (Rs. in '000)
a) The gross amount required to be spent by the Company during the year	692	987
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	700	1,000

37 Event occurring after Balance Sheet date:

Due to significant loss, The Board of Directors have not recommended any Dividend for the year ended 31st March,2022. (Previous Year Rs.0.00 per Equity Share resulted in to total Outgo of Rs. 0.00.)

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

38 Additional Regulatory Information

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

3 Key Financial Ratios:

Ratio	Numerator	Denominator	Current Year	Previous Year	% of Variance	Reasons for Variances
Current ratio	Current Assets	Current Liabilities	1.68	2.36	-29%	Fluctuation in Cash Flow
Debt-equity ratio	Total Debt	Shareholder's Equity	0.46	0.25	80%	Fluctuation in Cash Flow
Debt service coverage ratio	Earnings available for debt service	Debt Service	0.93	1.93	-52%	Refer to Remark Stated below
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-0.06	0.01	-866%	Fluctuation in Operating Profit/(Loss)
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	5.98	5.08	18%	-
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	4.68	3.68	27%	Debtor's level
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	9.05	6.67	36%	purchased and Creditor's
Net capital turnover ratio	Net Sales	Working Capital	6.56	4.06	61%	Availment of Cash Credit compared to Previous year
Net profit ratio	Net Profit	Net Sales	-0.02	0.00	-692%	Refer to Remark Stated below
Return on capital employed	Earning before interest and taxes	Capital Employed	-0.03	0.04	-195%	Refer to Remark Stated below
Return on investment	Income (Finance)	Invesments	Not Applicable as Investments made in subsidiary	Not Applicable as Investments made in subsidiary	-	-

Remarks

During the year under review, operations of the company were adversely affected which in turn into abnormal variances in various ratios. The company has incurred Loss of Rs. 174.06 Lacs during the year under review against the previous year profit of Rs. 23.54 Lacs. Below are the major reasons:

- 1 Due to adverse Market conditions
- 2 Impairment loss of Rs. 138.80 Lacs
- 3 Loss due to fire of Rs. 76.56 Lacs (Net of Claim Received) accounted for during the year under review. Pending claim with insurance company Rs. 127.27 Lacs.

39 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 27th May,

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: 22108310AKSGWK5674 For and on behalf of the Board of Directors

JAYMIN B. DESAI Managing Director DIN 00156221 ATUL BAIJAL Whole-time Director DIN 09046341

RAKESH KUMAR KUMAWAT Company Secretary

VAIBHAV KUMAR TOTLA Chief Finance Officer

Place: Surat Place: Valsad
Date: 27th May 2022 Date: 27th May 2022

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, 2022, 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, 2022 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.

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 2022 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 2022 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our

separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company and its subsidiary company incorporated in India respectively. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts:
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - iv) Based on such examination, representations given by the management as per the requirements of Rule 11(e)(i) and (ii), nothing has come to our notice that has caused us to believe that the above-mentioned representations contain any material misstatement.
- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the *Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there is qualifications remarks in this CARO report.

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

Date :- 27th May, 2022

Place :- Surat

Mayank Y. Desai Partner

Membership No. :- 108310

UDIN: 22108310AKSHHN5390

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, 2022, 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.

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, 2022, 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

Date :- 27th May, 2022

Place :- Surat

Mayank Y. Desai

Partner

Membership No. :- 108310 UDIN: 22108310AKSHHN5390

Ecoplast Limited

Consolidated Balance Sheet as at 31st March, 2022 CIN: L25200GJ1981PLC004375

(Rs. in '000)

	Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	2	1,57,901	1,65,628
	(b) Capital work-in-progress	2	162	6,489
	(c) Financial Assets			
	(i) Others	3	2,431	1,792
	(d) Deferred tax assets (net)	14	3,194	-
	(e) Other non-current assets	4	18,644	10,163
			1,82,332	1,84,071
(2)	Current assets			
	(a) Inventories	5	1,30,170	1,02,259
	(b) Financial Assets			
	(i) Trade Receivables	6.1	1,99,975	2,01,719
	(ii) Cash and cash equivalents	6.2	4,333	944
	(iii) Bank balances other than (ii) above	6.3	5,651	3,612
	(iv) Loans	6.4	7,049	2,134
	(v) Other financial assets	6.5	1,663	1,276
	(c) Other current assets	7	6,772	11,027
	(d) Assets classified as held for Sale	8	7,053	7,053
	Total current assets		3,62,666	3,30,024
	TOTAL ASSETS		5,44,998	5,14,095
			0,11,000	0,11,000
	EQUITY AND LIABILITIES			
	Equity			
	(a)Equity Share capital	9	30,000	30,000
	(b)Other Equity	10	2,67,249	2,87,379
	Total equity		2,97,249	3,17,379
	Liabilities			
(1)	Non-current liabilities			
``	(a) Financial Liabilities			
	(i) Borrowings	11	26.398	46,127
	(ii) Lease Liabilities	12	1,017	2,517
	(b) Provisions	13	8,503	7,294
	(c) Deferred tax liabilities (Net)	14	-	4,008
	Total non current liabilities		35,918	59,946
(2)	Current liabilities			
` `	(a) Financial Liabilities			
	(i) Borrowings	15.1	1,09,407	34,369
	(ii) Lease Liability	15.4	2,527	3,891
	(iii) Trade payables			·
	a) Total Outstanding Dues of Micro Enterprises and			
	Small Enterprises	15.2	13,150	1,637
	b) Total Outstanding Dues of Creditors Other than			
	Micro Enterprises and Small Enterprises	15.2	62,350	83,340
	(iv) Other financial liabilities	15.3	3,008	2,461
	(b) Other current liabilities		14,934	
	1 ' '	16 17	6,455	7,388
	(c) Provisions Total current liabilities	17	2,11,831	3,685 1,36,770
	TOTAL EQUITY AND LIABILITIES		5,44,998	5,14,095

The accompanying notes from 1 to 39 are an integral part of the financial statements

As per our Report of even date.

For Y.B. Desai & Associates

Chartered Accountants

For and on behalf of the Board of Directors

Firm ICAI Registration No. 102368W

MAYANK Y. DESAI

Partner

Membership No: 108310

UDIN: 22108310AKSHHN5390

RAKESH KUMAR KUMAWAT

VAIBHAV KUMAR TOTLA

Chief Finance Officer

ATUL BAIJAL

DIN 09046341

Whole-time Director

Company Secretary

JAYMIN B. DESAI

Managing Director

DIN 00156221

Place: Valsad Date: 27 th May 2022

Place: Surat Date: 27th May, 2022

Ecoplast Limited Consolidated Statement of Profit and loss for the Year ended 31st March, 2022 CIN: L25200GJ1981PLC004375

(Rs. in '000)

				(Rs. In '000)
	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March, 2021
ı	Revenue from Operations	18	9,41,754	7,56,630
II	Other Income	19	8,387	8,287
Ш	TOTAL INCOME (I+II)		9,50,141	7,64,917
IV	Expenses			
	Cost of materials consumed	20	7,02,834	5,21,640
	Purchase of stock in trade		9,393	3,755
	Changes in inventories of finished goods, stock			
	in trade and work-in-progress	21	(12,099)	5,266
	Employee benefits expense	22	95,523	85,427
	Finance costs	23	10,618	11,313
	Depreciation and amortization expense	2	26,593	27,305
	Other expenses	24	1,42,893	1,07,290
	TOTAL EXPENSES (IV)		9,75,756	7,61,996
v	Profit/(loss) before tax (III-IV)		(25,615)	2,920
	· · · · · · · · · · · · · · · · · · ·		(25,615)	2,920
VI	Tax expense: (1)Current tax		(374)	(1.004
	(2)Deferred tax		7,794	(1,904 907
	(3)Tax in respect of Earlier Years		707	107
VII	Profit/(loss) for the year		(17,488)	2,030
VIII	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (ii) Income tax relating to items that will not be		(2,131)	(192
	reclassified to profit or loss		(593)	(54
	- Defined benefit plans loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
IX	Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(20,212)	1,784
Х	Earnings per equity share [Nominal value per share Rs.10]			
^	(1)Basic		(5.83)	0.68
	(2)Diluted		(5.83)	0.68

The accompanying notes from 1 to 39 are an integral part of the financial statements

As per our Report of even date.

For Y.B. Desai & Associates

For and on behalf of the Board of Directors

Chartered Accountants

Firm ICAI Registration No. 102368W

MAYANK Y. DESAI

Partner

Membership No: 108310 UDIN: 22108310AKSHHN5390 JAYMIN B. DESAI Managing Director DIN 00156221

ATUL BAIJAL Whole-time Director DIN 09046341

RAKESH KUMAR KUMAWAT VAIBHAV KUMAR TOTLA Company Secretary

Chief Finance Officer

Place: Surat Place: Valsad Date : 27th May, 2022 Date: 27 th May 2022

Ecoplast Limited Consolidated Cash Flow Statement for the year ended 31st March, 2022

CIN: L25200GJ1981PLC004375

Particulars	For the ye		For the y	ear ended rch, 2021
	(Rs. in	'000)	(Rs. ir	n '000)
A. Cash flow from operating activities Net Profit/(loss) before Tax as per Statement of Profit and Loss Adjustments for:		(25,615)		2,920
Depreciation and amortization and impairment	26,593		27,305	
(Profit) / loss on sale / write off of assets (net)	3,153		(140)	
Finance costs Interest income	10,618 (489)		11,313 (274)	
Other Comprehensive Income	(2,131)		(192)	
Liabilities / provisions no longer required written back	(2,101)		(9)	
Provision for doubtful trade and other receivables, loans and advances	12,875	50,619	899	38,902
Operating profit before working capital changes Changes in working capital:		25,004		41,823
Adjustments for (increase) / decrease in operating assets:				
Inventories	(27,911)		2,754	
Trade receivables	(11,131)		5,207	
Short-term loans and advances	(4,915)		1,070	
Long-term loans and advances	(639)		(169)	
Other current financial assets	(387)		3,453	
Other non current assets	(8,481)		(1,777)	
Other current assets	4,254		2,326	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(9,477)		8,142	
Other current liabilities	7,547		6,145	
Other financial and lease liabilities	(2,318)		17,001	
Other non current liabilities	707		107	
Short-term provisions	2,770		718	
Long-term provisions	1,210	(40.774)	870	45.040
		(48,771) (23,767)		45,846 87,669
		, , ,		·
Cash generated from operations Net income tax (paid) / refunds		(23,767) (374)		87,669 (1,904)
" '		, ,		
Net cash flow from / (used in) operating activities (A)		(24,141)		85,765
B. Cash flow from investing activities Capital expenditure on fixed assets, including capital advances Proceeds from sale of fixed assets	(16,120) 509		(12,522) 314	
- Others	489		274	
		(15,122)		(11,935)
		(15,122)		(11,935)
Net cash flow from / (used in) investing activities (B)		(15,122)		(11,935)
, , , <u>-</u> , , ,		(10,122)		(11,000)
C. Cash flow from financing activities Proceeds / (Repayment) of long-term borrowings Net increase / (decrease) in Short term borrowings Finance cost Dividends paid	(19,729) 75,039 (10,618)		11,001 (68,795) (11,313)	
Εινιώστια γαια	_	44,691	(4,500)	(73,607)
Net cash flow from / (used in) financing activities (C)		44,691		(73,607)
Net increase / (decrease) in Cash and cash equivalents (A+B+C) Cash and cash equivalents at the beginning of the year		5,428 4,556		223 4,332
Cash and cash equivalents at the end of the year		9,984		4,555

Cash and cash equivalents at the end of the year Comprises :		
(a) Cash on hand	317	291
(b) Balances with banks		
(i) In current accounts	4,016	653
(ii) In EEFC accounts		
(ii) In deposit accounts		
(ii) In earmarked accounts (Refer Note (2) below)	5,651	3,612
	9,984	4,556

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 39 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 JAYMIN B. DESAI ATUL BAIJAL
Partner Managing Director Whole-time Director

Membership No : 108310 DIN 00156221 DIN 09046341

UDIN: 22108310AKSHHN5390 RAKESH KUMAR KUMAWAT VAIBHAV KUMAR TOTLA

Company Secretary Chief Finance Officer

 Place: Surat
 Place: Valsad

 Date: 27th May, 2022
 Date: 27th May 2022

ECOPLAST LIMITED CIN: L25200GJ1981PLC004375

Statement of Changes in Equity for the year ended 31st MARCH 2022

a. Equity Share Capital:

Particulars	(Rs. in '000)
Balance as at the 31 March 2021	30,000
Changes in equity share capital during the year	-
Balance as at the 31 March 2022	30,000

b. Other Equity: (Rs. in '000)

	Res	Reserves and Surplus			
Particulars	General Reserve	Share Premium	Retained Earnings	Comprehensive Income (OCI)	Total Equity
As at 31st March, 2020	50,781	30,000	2,13,328	(5,094)	2,89,015
Profit for the year	-	-	3,110		3,110
Other comprehensive income for the year	-	-			-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-		(246)	(246)
Additions/deletions during the year			-		-
Corporate Dividend			(4,500)		(4,500)
Corporate Dividend Tax			-		-
As at 31st March, 2021	50,781	30,000	2,11,937	(5,340)	2,87,379
Profit for the year			(17,488)		(17,488)
Other comprehensive income for the year					-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect				(2,724)	(2,724)
Corporate Dividend			-		-
Corporate Dividend Tax			-		-
As at 31st March, 2022	50,781	30,000	1,94,450	(8,064)	2,67,167

The accompanying notes from 1 to 39 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

Date: 27th May, 2022

Partner

Membership No : 108310

UDIN: 22108310AKSHHN5390

Place: Surat

For and on behalf of the Board of Directors

JAYMIN B. DESAI **Managing Director** DIN 00156221

RAKESH KUMAR KUMAWAT

ATUL BAIJAL Whole-time Director DIN 09046341

VAIBHAV KUMAR TOTLA Chief Finance Officer

Place: Valsad Date: 27 th May 2022

Company Secretary

Ecoplast Ltd.

NOTES FORMING PARTS OF THE ACCOUNTS

Corporate Information

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

1) Principles of Consolidation

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

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

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

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

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

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

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

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

The Subsidiary Company in the consolidated financial statement is:

Nam : Synergy Films Private Limited

Country of Incorporation : India % Voting power held : 100

1. Statement of Significant Accounting Policies

Basis of Preparation:

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

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

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

Ecoplast Ltd.

1.1. Use of Judgment and Estimates:

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

→ Financial instruments;

→ Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible

→ Valuation of Inventories

→ Measurement of Defined Benefit Obligations and actuarial assumptions;

→ Provisions;→ Contingencies.

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

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

estimates

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

Ecoplast Ltd.

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

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.

Ecoplast Ltd.

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 judgment 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

The mode of valuing closing stock is as under:

→ Raw Materials, Packing Materials, Machinery Spares, Ink and Fuel - at Cost or Net Realizable

→ Finished and Semi - Finished goods – at lower of cost or net realizable value

→ Scrap - net realizable value

1.10.2. Customs duty/GST on Raw materials/ finished goods lying in bonded warehouse is provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.10.3. Raw materials held for use in production of Finished Goods are written down below Cost, only if, the estimated Cost or Net Realizable Value of Finished Goods will not exceed Net Realizable Value of such Raw Materials."

Ecoplast Ltd.

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.

1.13.8.

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1 13 2 **Defined Contribution Plans** Superannuation: The Company has Defined Contribution Plan for Post employment benefits in the form of Superannuation Fund for certain class of employees as per the scheme, administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees and is charged to revenue every year. Company has no further obligation beyond its contributions. **Employee's Family Pension:** The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions. **Provident Fund:** The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions. 1.13.3. **Defined Benefit Plans** Gratuity: The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent 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 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.

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.

Ecoplast Ltd.

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.

St 1	Ecoplast Ltd.						
1 12	Fair Value measurement						
1.10	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

- 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 FVTPI

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.

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) 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 'bass-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 derecognition. 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.

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Ecoplast Ltd.

1.19.4. Impairment of financial assets

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

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

1.20 Financial Liabilities

1.20.1.

Initial recognition and measurement

Financial liabilities are initially recognised when the Company becomes a party to the

contractual provisions of the instrument.

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

1.20.2. Subsequent measurement

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

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

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

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are

subsequently measured at amortised cost using the effective interest rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the consolidated Statement of Profit and Loss.

1.21 Financial guarantees

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

1.22 Embedded derivatives

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

1.23 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.24 Taxes on Income

1.24.1.

Current Tax

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

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

1.24.2. Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

1.25 Earnings per share

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

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

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

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

1.27 Cash and Cash equivalents

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

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on

hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.28 Cash Flows

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

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

Note 2: Property, Plant & Equipment and Intangible Assets

							(Rs. in '000)
Particulars	Land - Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying value as on March 31, 2020	5,096	45,275	1,97,524	2,269	8,618	6,618	2,65,400
Additions	-	252	3,853	106	ı	1,619	5,830
Deletions ****	1	ı	1	•	1,526	183	1,710
Gross Carrying value as on March 31, 2021	960'9	45,527	2,01,377	2,375	7,092	8,054	2,69,520
Additions	-	068	20,688	157	-	1,231	22,967
Deletions ****	•	•	6,602	83	•	312	966'9
Gross Carrying value as on March 31, 2022	5,096	46,417	2,15,464	2,449	7,092	8,973	2,85,491
Accumulated depreciation as on March 31, 2020	-	7,735	73,015	663	2,366	3,617	87,396
Depreciation charge for the year	-	2,122	20,688	250	996	1,338	25,365
Depreciation charged upto disposal	1	ı	266	1	1,436	205	2,638
Accumulated depreciation as on March 31, 2021		9,857	92,706	913	1,896	4,750	1,10,123
Depreciation charge for the year	ı	2,040	20,053	245	594	1,290	24,222
Depreciation charged upto disposal	•	•	3,027	34	•	274	3,335
Accumulated depreciation as on March 31, 2022	1	11,897	1,09,733	1,124	2,490	5,766	1,31,011
Carrying value							
At 31st March, 2020	5,096	37,540	1,24,509	1,606	6,252	3,001	1,78,005
At 31st March, 2021	960'9	35,670	1,08,671	1,462	5,196	3,304	1,59,398
At 31st March, 2022	960'9	34,520	1,05,731	1,325	4,601	3,207	1,54,480

**** Value of Assets classified as Held for Sale shown separately in Note 8

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

Capital work-in-progress		(Rs. in '000)
Carrying amount	As at	As at
	31st Mar., 2022	31st March,
Capital work-in-progress	162	6,489

	(Rs. in '000)	
Particulars	Buildings	
Gross Carrying value as on March 31, 2020	1,867	(a) The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified
Additions	7,390	.390 retrospective method. The Company has applied the standard to its leases with the cumulative
Deletions	1,311	impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.
Gross Carrying value as on March 31 , 2021	7,945	
Additions	1	
Deletions	439	
Gross Carrying value as on March 31 , 2022	7,507	
		In the statement of profit and loss for the current year, operating lease expenses which
Accumulated depreciation as on March 31, 2020	303	were recognised as onial experises in previous, periods is now recognised as depreciation expense for the right-of-lice, asset and finance, and for interest, admined on lease liability. The
Depreciation charge for the year	1,940	adoption of this standard did not have any significant impact on the profit for the year and
Depreciation on deletion	528	
Accumulated depreciation as on March 31, 2021	1,715	
Depreciation charge for the year	2,371	
Depreciation on deletion	1	
Accumulated depreciation as on March 31, 2022	4,085	
Net Carrying value		
At 31st March, 2020	1,564	
At 31st March, 2021	6,231	
At 31st March,2022	3,421	(b) The Company's leases of building for warehouse facilities and office premises

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

3 OTHER FINANCIAL ASSETS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March,2021
Loans Receivables Considered Good-Unsecured		
Security deposits Loans and advances to employees	1,593 838	1,568 224
Total	2,431	1,792

4 OTHER NON CURRENT ASSETS

'Rs in '000\

		(13. 111 000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
Prepaid Expenses	318	559
Capital Advances	9,467	630
Advance income tax net of provisions	8,790	8,905
CST & VAT receivable on Assessment	68	68
Total	18,644	10,163

5 INVENTORIES

(Rs. in '000)

		(RS. III 000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
Raw materials	76,612	64,097
Raw-Materials in-transit	12,069	9,591
Work-in-progress	17,191	11,897
Finished goods	5,485	4,580
Finished Goods in-transit	14,191	9,147
Stores , Spares and Packing Materials.	4,579	2,895
Others - Scrap	43	52
Total	1,30,170	1,02,259

Footnote:

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

6.1 TRADE RECEIVABLES

(Rs. in '000)

		(13.111 000)
Particulars	As at 31st March, 2022	As at 31st March,2021
(i) Trade Receivables Considered Good-Unsecured (ii) Trade Receivables which have a significant increase in Credit Risk (iii) Trade receivable -credit Impaired	1,99,958 18 14,298	1,97,986 4,311 846
Less: Allowance for credit loss	(14,299)	(1,424)
Total	1,99,975	2,01,719

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

Ageing of Trade Receivable

(Rs. in '000)

Tigotily of Trade	As at 31st March, 2022							
Particulars								
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total	
Undisputed Trade receivables – considered good	1,48,952	51,006	-	-	-	-	1,99,958	
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	18	-	-	-	18	
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
Disputed Trade Receivables – credit impaired	-	9,755	4,125	-	-	418	14,298	

Particulars	As at 31st March, 2021							
r ai ticulai 3	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total	
Undisputed Trade receivables – considered good	1,55,394	42,592	-	-	-	-	1,97,986	
Undisputed Trade Receivables – which have significant increase in credit risk	-	978	75	3,258	-	-	4,311	
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
Disputed Trade Receivables – credit impaired	-	-	-	-	428	418	846	

6.2 CASH AND CASH EQUIVALENTS

Particular s	As at 31st March, 2022	As at 31st March,2021
(i) Balances with banks		
In current accounts	4,016	653
In Fixed Deposit	-	-
(ii) Cash in hand	317	291
Total	4,333	944

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

6.3 BANK BALANCES

(Rs. in '000)

		(113.111 000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
In Fixed Deposit Accounts, held as margin money against Letter of Credit	4,943	2,751
Unpaid dividend accounts	708	861
Total	5,651	3,612

6.4 LOANS (CURRENT)

(Rs. in '000)

Particulars	As at	As at
	31st March, 2022	31st March,2021
GST/Cenvat credit receivable	6,294	1,437
Loans and Advances to employees	754	697
Total	7,049	2,134

6.5 OTHER FINANCIAL ASSETS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March,2021
Interest accrued on Fixed Deposits with Banks & Other Deposits Discount Receivable	249 1,414	199 1,077
Total	1,663	1,276

7 OTHER CURRENT ASSETS

(Rs. in '000)

(RS. IN			
Particulars	As at	As at	
	31st March, 2022	31st March,2021	
TDS Refund Receivable	361	361	
GST-Refund Receivable - Export	-	398	
GST-Sales In Transit	1,096	316	
Prepaid expenses	4,244	3,652	
Advance to Trade Payables	732	5,988	
Cenvat credit receivable	141	32	
Security deposits - Considered good	121	179	
Income Tax Refunds Due	78	102	
Total	6,772	11,027	

8 ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at 31st March, 2022	As at 31st March,2021
Property, plant and equipment Plant and machinery retired from active use (Refer Note 8.1)	7,053	7,053
TOTAL	7,053	7,053

^{8.1 :} 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 activies 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, 2022

9 EQUITY SHARE CAPITAL

(Rs. in '000)

	As at	As at
Particulars	31st March, 2022	31st March,2021
Authorised		
1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs. 10/- each_fully paid up	30,000	30,000
Tot	al 30,000	30,000

Notes

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

i)	Authorised share capital:	No. of Shares	(Rs. in '000)
	Balance as at 31 st March,2021	1,00,00,000	1,00,000
	Add / (Less): Changes during the year	-	-
	Balance as at 31st March,2022	1,00,00,000	1,00,000

Issued, Subscribed and paid up share capital:	No. of Shares	(Rs. in '000)
Balance as at 31st March,2021	30,00,000	30,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2022	30,00,000	30,000

- ii) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share
- iii) The Paid-up Capital includes 1,500,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus shares by capitalising Rs.5,000,000 out of General Reserve and Rs.10,000,000 out of Revaluation Reserve prior to listing of Company's Equity Shares.
- iv) The holders of equity shares will be entitled to receive 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.
 - 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	paid equity shares
Mar Andre I Danes		
Mrs Amita J.Desai		
As at 31st March, 2021	18.07%	5,42,246
As at 31st March, 2022	18.07%	5,42,246
Mrs Charulata N.Patel		
As at 31st March, 2021	13.36%	4,00,752
As at 31st March, 2022	13.36%	4,00,752
Stuti J.Desai		
As at 31st March, 2021	5.20%	1,55,960
As at 31st March, 2022	5.20%	1,55,960
Silver Stream Properties LLP		
As at 31st March, 2021	15.89%	4,76,827
As at 31st March, 2022	15.89%	4,76,827

(viii) Details of Shareholding of Promoters / Promoters Group

Particulars	As a	at 31 st March, 2022		As at 31st March, 2021		021
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Amita Jaymin Desai	5,42,246	18.07	0.00	5,42,246	18.07	0.00
Silver Stream Properties LLP	4,76,827	15.89	0.00	4,76,827	15.89	0.00
Charulata Nitinbhai Patel	4,00,752	13.36	0.00	4,00,752	13.36	0.00
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
Promoter Group						
Stuti J Desai	1,55,960	5.20	0.00	1,55,960	5.20	231.01
Jaymin Balvantrai Desai	1,22,335	4.08	0.00	1,22,335	4.08	18.72
Nitinkumar Manubhai Patel	1,18,061	3.94	0.00	1,18,061	3.94	0.00
Jankee J Desai	78,116	2.60	0.00	78,116	2.60	0.00
Kunal Plastics Private Limited	36,440	1.21	0.00	36,440	1.21	0.00
Aditya Nitinkumar Patel	31,962	1.07	0.00	31,962	1.07	0.00
Nargis Pheroze Kharas	23,400	0.78	0.00	23,400	0.78	0.00
Nilay Nitinkumar Patel	11,565	0.39	0.00	11,565	0.39	0.00
Jaymin Balvantrai Desai HUF	6,176	0.21	0.00	6,176	0.21	0.00
Bhupendra B. Desai	-	0.00	0.00	-	0.00	-100.00
Indumati Balvantrai Desai	-	0.00	0.00	-	0.00	-100.00
Total	20,04,820	66.83		20,04,820	66.83	

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

10 OTHER EQUITY

(Rs. in '000)

			(RS. III 000)
Particulars		As at	As at
T al dodial 3		31st March, 2022	31st March,2021
(a) Securities premium			
Balance as per last Balance Sheet		30,000	30,000
Closing Balance		30,000	30,000
(b) General reserve			
Balance as per last Balance Sheet		50,781	50,781
Closing Balance		50,781	50,781
(c)Retained Earnings			
Balance as per last Balance Sheet		2,11,937	2,13,328
Add: Profit for the year		(17,488)	3,110
		1,94,450	2,16,437
Less: Appropriations			
Payment of final Dividend to equity shareholders (Rs 1.50 per share)		-	4,500
Closing Balance		1,94,450	2,11,937
4,000			
(d)Other Comprehensive income		/F 0F0\	/5 00 A
Balance as at beginning of the year		(5,258)	(5,094)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)		(2,724)	(246)
		(7,982)	(5,340)
		2.67.240	2.07.370
	Total	2,67,249	2,87,379

Securities premiur

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.

11 NON CURRENT BORROWINGS

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March,2021
Secured Term Loans Bank of Baroda Term Loan - Total	24,536	43,360
Car Loan under Hire Purchase	1,862	2,767
Total	26,398	46,127

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.)	(Rs. in '000)
Term Loan from Bank	9.50%	15,869
Term Loan from Bank	8.00%	8,667
Car Loan under Hire Purchase	8.30%	1,862
		26,398

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

(Rs. in '000)

Particulars	Maturity Profile		
	1-2 years 3-4 years > 4 ye		
Term Loan from Bank & Others	26,398	-	-

12 LEASE LIABILITIES

		(Rs. in '000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
Lease rent Liability	1,017	2,517
Total	1,017	2,517

13 PROVISIONS

		(Rs. in '000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
Provision for employee benefits:		
Provision for compensated absences	8,503	7,149
Provision for gratuity	-	145
Total	8,503	7,294

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

14 DEFERRED TAX LIABILITIES (NET)

(Rs. in '000)

11.0			
Particulars	As at 31st March, 2022	As at 31st March,2021	
Tax effect of items constituting deferred tax liability			
On difference between book balance and tax balance of fixed assets	8,244	10,775	
	-	-	
Tax effect of items constituting deferred tax liability	8,244	10,775	
Tax effect of items constituting deferred tax assets			
Provision for compensated absences, gratuity and other employee benefits	4,888	3,002	
Provision for doubtful debts / advances	3,978	396	
Provision for diminution in the value of investments	1,586	1,586	
Adjustment to Right to use asset	986	1,783	
Financial Guarantee	-	-	
Tax effect of items constituting deferred tax assets	11,438	6,767	
	-		
Net deferred tax Liability / (Asset)	3,194	(4,008)	

15.1 BORROWINGS (SHORT TERM)

(Rs. in '000)

Particulars		As at 31st March, 2022	As at 31st March,2021
Loans repayable on demand			
From banks			
Secured		83,652	-
Current maturities of long-term Secured Debts (Refer Note No. 11)		17,755	26,369
From Others - Unsecured			
Inter Corporate Deposits(9.00%)		8,000	8,000
	Total	1,09,407	34,369

(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)

The rate of interest of the said facility ranges from 8.9% to 10% Per annum.

The above are valued at Amortized cost

15.2 TRADE PAYABLES

(Rs. in '000)

		(1101111 000)
Particulars	As at 31st March, 2022	As at 31st March,2021
Trade payables:		
Micro, Small and Medium Enterprises	13,149	1,637
Trade Payable to Related Party	411	150
Others	61,939	83,190
Total	75,499	84,978

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

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2022 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows:

(Rs. in '000

Particulars	As at 31st March, 2022	As at 31st March,2021
Principal Amount due and remaining unpaid	169	315
Interest due on above and the unpaid interest	0	1
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	4,236	6,890
Interest due and payable for the period of delay	13	53
Interest accrued and remaining unpaid	13	53
Amouont of further interest remaining due and payable in succeeding years	13	53

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

(ii) Ageing of Trade Payables:

Particulars			As at31st March, 2	022		
rai uculai s	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	9,414	3,735	-	-	-	13,149
(ii) Others	52,184	9,995	-	820	-	62,999
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at31 st March, 2021					
rai uculai s	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	19	1,618	-	-	-	1,637
(ii) Others	72,511	8,852	1,629	349	-	83,340
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

15.3 OTHER FINANCIAL LIABILITIES

(Rs. in '000)

Particulars	As at 31st March, 2022	As at 31st March,2021
Unclaimed dividends	709	860
Unclaimed matured deposits and interest accrued thereon	15	19
Others -Net Salaries & Wages Payable	2,285	1,582
Total	3,008	2,461

15.4 LEASE LIABILITIES

		(Rs. in '000)
Particulars	As at 31st March, 2022	As at 31st March,2021
	OTST MUTON, EVEL	013t March,2021
Lease rent Liability	2,527	3,891
Total	2,527	3.891
l lotal	2,327	3,091

16 OTHER CURRENT LIABILITIES

(Rs. in '000)

Particulars 31st M		As at 31st March,2021
Other payables Statutory dues payable	2,602	1,600
Advances from customers	12,332	5,787
Total	14,934	7,388

17 PROVISIONS

		(13.111 000)
Particulars	As at	As at
	31st March, 2022	31st March,2021
Provision for employee benefits:		
Provision for bonus	2,809	2,848
Provision for compensated absences	455	751
Provision for gratuity	3,191	86
Total	6,455	3,685

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

18 REVENUE FROM OPERATIONS

(Rs. in '000)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of products	,	,
Manufactured goods		
Plastic Film	9,12,096	7,34,256
Others	12,654	5,395
<u>Traded goods</u>		
Others	10,605	9,539
Other operating revenues		
Sale of Scrap	1,373	1,812
Render Services	5,026	5,629
Total	9,41,754	7,56,630

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 Mar., 2022	For the year ended 31st March, 2021
Revenue as per contracted price	9,51,688	7,69,870
Less: Adjustments		
Sales return	6,206	2,853
Sales Price/ Quantity Difference/ Quality claims	1,536	8,840
Development Cost - free Samples	350	215
Discounts	1,842	1,333
Revenue from contract with customers	9,41,754	7,56,630

19 OTHER INCOME

(KS. III 000)		
Particulars For the year ended For the year e		For the year ended
	31st March, 2022	31st March, 2021
Interest income		
Interest from banks on Fixed Deposits	114	125
Interest Received-Security Deposit-APDCL	-	84
Interest on Deposit with Dakshin Gujarat Vij Co	323	_
Ltd. & Others	323	_
Interest on Employees Loan	52	56
Interest on Income Tax Refund	-	9
Other non-operating income		
Profit on sale of fixed assets	454	140
Excess Provision of Gratuity	-	759
Liabilities / provisions no longer required written		9
back (net)	-	9
Insurance Claim Received	2,112	363
Gain on foreign currency transactions and	3,426	3,218
translation (net)	3,420	3,210
Supervision Charges	9	92
Miscellaneous income	1,826	1,373
Sundry Creditors W.back/ W.off	72	9
Export Incentive - MEIS Duty Script	-	2,050
Total	8,387	8,287

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

20 COST OF MATERIALS CONSUMED

(Rs. in '000)

		(110: 111 000)
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
Opening Stock	64,101	52,026
Add: Purchases	7,15,383	5,33,762
Less: Closing Stock	76,649	64,149
Total Cost of materials consumed	7,02,834	5,21,640

21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(Rs. in '000)

(N3. III 000)		
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
Inventories at the end of the year:		
Finished goods	18,923	13,728
Work-in-progress	17,191	11,897
Stock in-trade	1,659	-
	37,772	25,625
Inventories at the beginning of the year:		
Finished goods	13,728	15,030
Work-in-progress	11,897	15,860
Stock in-trade	48	-
	25,673	30,890
Net (increase) / decrease	(12,099)	5,266

22 EMPLOYEE BENEFIT EXPENSES

(Rs. in '000)

		(KS. III 000)
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
Salaries, Wages, Bonus and Other Allowances	83,726	75,956
Contributions to Provident and other funds	10,845	8,557
Staff Welfare expenses	952	914
Total	95,523	85,427

Footnote:

Contribution to Provident and other funds includes contribution to Provident fund for director Rs. 13,31,886/- (For 31st March, 2021: Rs. 4,89,543/-)

23 FINANCE COSTS

		(113. 111 000)
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
Interest expense	8,635	9,048
Other Borrowing costs	1,983	2,265
Total	10,618	11,313

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

24 OTHER EXPENSES

(RS. In '000)		
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
Consumption of Stores and Spare parts	810	914
Consumption of Packing Materials	19,304	18,875
Consumption of Printing Cylinders	1,847	1,656
Power and fuel	48,553	41,641
Conversion Charges Paid	994	63
Repairs and Maintenance - Buildings	2,972	702
Repairs and Maintenance - Machinery	9,357	3,743
Repairs and Maintenance - Others	535	536
Insurance	4,723	4,492
Rates and taxes	541	254
Communication	767	747
Travelling and Conveyance	994	656
Printing and Stationery	506	699
Freight and forwarding	17,376	14,465
Sales Commission	909	1,053
Sales discount	69	278
Business promotion	26	15
Donations and contributions	300	300
CSR Expenditure	700	1,000
Motor Car Expenses	857	707
Security Charges	2,410	2,504
Directors Sitting Fees	600	900
Commission to Non-Executive Directors	-	24
Legal and Professional	4,062	4,964
Payments to Auditors	676	695
Rent including lease rentals	71	71
Loss on Sales / Discarded Assets	3,606	-
Provision for doubtful trade receivables	12,875	899
Other Miscellaneous Expenses	6,454	4,434
Total	1,42,893	1,07,290

Doublesslave	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Particulars	VIST WILLIAM 1011, 2022	515t Waltin, 2021
Payments to the auditors comprises (a) To statutory auditors		
Audit Fees	420	420
Tax Audit Fees	80	80
Certification and Other Services	140	143
Reimbursement of Expenses	36	53
Total	676	695

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

25 Earnings per share (EPS)

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

i. Profit attributable to Equity holders of Company

(Rs. in '000)

Particulars	For the year ended 31st March, 2022	For the year ended
Profit attributable to equity holders of the company for basic and diluted	(17.488)	2,030
earnings per share	(17,400)	2,030

ii. Weighted average number of ordinary shares

	For the year ended	For the year
Particulars	31st March, 2022	ended
Number of issued equity shares	3,000	3,000
Nominal Value per share	10.00	10
Weighted average number of shares at 31st March for basic and diluted		
earnings per share	3,000	3,000
Basic and Diluted earnings per share (in Rs)	(5.83)	0.68

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

26 Tax Expense

(a) Amounts recognised in profit and loss (Rs. in '000) For the year For the year ended ended March 31, 2022 March 31, 2021 Current tax expense Current year 374 1,904 Short/(Excess) provision of earlier years (707)(107)Deferred tax expense (907) Origination and reversal of temporary differences (7,794)Tax expense recognised in the income statement (8,127) 890

(Rs. in '000) (b) Amounts recognised in other comprehensive income For the year ended For the year ended March 31, 2022 March 31, 2021 **Particulars** Net of tax Before tax Net of tax Before tax Tax Tax (expense) (expense) Items that will not be reclassified to profit or loss (2,131)(593) (192)(54)(246)(2,724)Equity Instruments through Other Comprehensive Income (2,131) (593) (2,724)(192) (54) (246)

(c) Reconciliation of effective tax rate (Rs. in '000) For the year ended Particulars For the year ended March 31, 2022 March 31, 2021 % Amounts % Amounts Profit before tax (25,615) 2,920 (268) Less: Profit of subsidiary on which tax is not payable 427 Net profit on which tax is payable (25,883) 3.347 Tax using the Company's domestic tax rate 27.82% (7,171)27.82% 925 Tax effect of: Expenses not deductible for tax purposes -29.15% 7,545 29.23% 979 Short/(Excess) provision of earlier years Income exempt from Income taxes (707)(107)Tax due to change in tax rate Others 30.11% (7,794)-27.08% (907) Effective income tax rate 28.78% (8,127) 29.97% 890

(d) Movement in deferred tax

Particulars	As at 31st March, 2021				As at 31st March, 2022		
	Net balance 31 Mar, 2021	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	10,775	(2,531)			8,244		8,244
Loan to subsidiary	-	-			-		-
Financial Guarantee	-	-			-		-
Amortisation of government grant Provision for compensated absences, gratuity	-	-	-		-		
and other employee benefits	(3,002)	(2,478)	593		(4,888)	4,888	
Provision for doubtful debts / advances	(396)	(3,582)			(3,978)	3,978	
investments	(1,586)	-			(1,586)	1,586	
On Account of Retiring Gratuity	-	-			-	-	
Adjustment to Right to use asset	(1,783)	797			(986)	986	
Tax assets (Liabilities)	4,008	(7,794)	593		(3,194)	11,438	8,244
Reversal of Opening DTL	-				-	-	-
Tax assets (Liabilities) (Net)	4,008	(7,794)	593		(3,194)	11,438	8,244

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

27 Financial instruments

Capital

A. Management:

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

Its guiding principles

- 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:

(Rs. in '000)

	As at	As at
Particulars	31st March, 2022	31st March, 2021
Borrowings	26,398	46,127
Less: Cash and bank balances	4,333	944
Net debts	22,065	45,184
Total equity	2,97,249	3,17,379
Net debt to equity ratio	7.42%	14.24%

B Fair value measurement hierarchy:

(Rs. in '000)

	As at			As at				
		31 st M ar., 2022			31st March, 2021			
	Carrying	Leve	l of input use	d in	Carrying	Lev	el of input used	in
Particulars	amount	Level 1	Level 2	Level 3	amount	Level 1	Level 2	Level 3
Financial assets	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At FVTOCI	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Trade Receivables	1,99,975	-	-	-	2,01,719	-	-	-
Cash and cash equivalents Bank balances other than	4,333	-	-	-	944	-	-	-
above	5,651	-	-	-	3,612	-	-	-
Loans	7,049	-	-	-	2,134	-	-	-
Other financial assets	1,663	-	-	-	1,276	-	-	-
Financial liabilities	-	-	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
At Amortized cost	-	-	-	-	-	-	-	-
Borrowings	1,35,805	-	-	-	80,496	-	-	-
Trade payables	75,500	-	-	-	84,978	-	-	-
Other financial liabilities	3,008	-	-	-	2,461	-	-	-
	-	-	-	-	-	-	-	-

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

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

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

C Calculation of fair values:

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

Other financial assets and liabilities:-

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

28 Financial risk management

Risk management framework

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

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

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

A Credit risk

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

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.19,99,74,785/- and Rs.20,17,18,824/- as at March 31, 2022 and March 31, 2021, respectively.

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

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

The Company uses an allowance matrix to measure the expected credit losses of trade receivables.

The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

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

Ageing of Trade receivables (Rs. in '000)

Ageing of fraue receivable	C3	(13. 111 000)
Particulars		
	As at	As at
	31st March, 2022	31st March, 2021
Not due	1,49,272	1,55,581
1 - 180 Days	60,440	42,405
181-360 Days	4,142	2,496
361-500 Days	1	1,815
More Than 500 days	418	846
trade receivables		
(Expected credit loss		
allowance)	(14,299)	(1,424)
Total	1,99,975	2,01,719

Movement in provisions of doubtful debts

(Rs. in '000)

	As at 31st March,	As at 31st March,
Particulars	2022	2021
Opening provision	(1,424)	(525)
Additional provision made		
Provision Reverse	12,875	899
Closing provision	(14,299)	(1,424)

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.99,83,472 as at 31st March, 2022 (31st March, 2021 : Rs. 45,55,407/-). The cash and cash equivalents are held with banks.

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

B Liquidity risk

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

Exposure to liquidity risk

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

(Rs. in '000)

		As at 31st March, 2021 Carrying amount				
Particulars	Carrying amount	Within one year	One to five years	More than five years		
Non-derivative financial liabilities						
Borrowings	80,496	34,369	46,127			
Trade and other payables	84,978	84,978	-	-		
Other financial liabilities	2,461	2,461	-	-		
Derivative financial liabilities		-		-		
	1,67,934	1,21,807	46,127	-		

		As at 31st Mai	rch, 2022	(
Particulars		Carrying amount					
	Carrying amount						
Non-derivative financial liabilities							
Borrowings	1,35,805	1,09,407	26,398	-			
Trade and other payables	75,500	75,500	-	-			
Other financial liabilities	3,008	3,008	-	-			
Derivative financial liabilities							
	2,14,314	1,87,916	26,398	-			

Ecoplast Limited

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

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:

Liabilities Assets As at As at As at As at Particulars 31st March. 31st March. 31st March. 31st March. 2021 In US Dollars (USD) 239 475 151 98 85 In Euro (EUR) 26 In AED

(in '000)

	Liabi	lities	Assets		
Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	
In US Dollars (USD)	18,235	35,189	11,272	7,156	
In Euro (EUR)	2,254	7,379	-	-	
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

impact on profit or loss and total equity					
	USD impact				
Particulars	As at 31st March, 2022	As at 31st March, 2021			
Increase in exchange rate by 5%	(348)	(1,402)			
Decrease in exchange rate by 5%	348	1,402			

	Euro impact			
Particulars	As at 31st Mar., 2022	As at 31st March, 2021		
Increase in exchange rate by 5%	(113)	(369)		
Decrease in exchange rate by 5%	113	369		

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

Ecoplast Limited

Notes to Consolidated Financial Statements for the year ended 31st Mar., 2022

E Commodity Risk

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

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

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. 55,54,025/- (As at 31st March, 2021: Rs.45,20,363) for Provident Fund contributions and Rs. 32,76,781 (As at 31st March, 2021: Rs. 26,33,266) 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, 2022.

(Rs. in '000)

a) Changes in present value of obligations (PVO)	Gratuity - Funded		
	31st March, 2022	31st March, 2021	
Present Value of Benefit Obligation at the Beginning of the Period ***	20,590	19,389	
Interest cost	1,431	1,336	
Past Service Cost	-	-	
Current service cost	1,310	1,183	
Benefits paid from the fund	(2,365)	(1,467)	
Actuarial (Gains)/Losses on Obligations - Due to Change in	(19)	113	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	2,197	(81)	
Actuarial (Gains)/Losses on Obligations - Due to Experience	624	117	
PVO at the end of the year	23,768	20,590	

^{***} Difference opening Balance of Present Value of Benefit due to benefit paid to employees of Subsidiary

(Rs. in '000)

b) Fair value of plan assets:	Gratuity	- Funded
b) I all value of plair assets.	31st March, 2022	31st March, 2021
Fair value of plan assets at the beginning of the year	20,445	20,540
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	671	(44)
Interest income	1,421	1,415
Contributions by the employer	500	-
Benefits paid from the fund	(2,365)	(1,467)
Fair value of plan assets at the end of the year	20,672	20,445

c) Amount to be recognized in the balance sheet:	Gratuity - Funded		
	31st March, 2022	31st March, 2021	
PVO at the end of period	23,768	20,590	
Fair value of plan assets at end of the period	20,672	20,445	
Funded status (Surplus/(Deficit))	(3,096)	(145)	
Net (Liability)/Asset Recognized in the Balance Sheet	(3,096)	(145)	

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

(Rs. in '000)

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded		
a) Expense recognized in the statement of profit of loss.	31st March, 2022	31st March, 2021	
Current service cost	1,310	1,183	
Net interest Cost	10	(79)	
Past Service Cost	-	-	
Expense recognized in the statement of profit or loss	1,320	1,104	

(Rs. in '000)

e) Other comprehensive income (OCI):	Gratuity - Funded		
e) Other comprehensive income (OCI).	31st March, 2022	31st March, 2021	
Actuarial (Gain)/Loss on Obligation for the period	2,802	149	
Return on plan assets excluding Interest Income	(671)	44	
Net (Income)/Expense For the Period Recognized in OCI	2,131	192	

(Rs. in '000)

f) Actual return on the plan assets:	Gratuity - Funded		
	31st March, 2022	31st March, 2021	
	2,092	1,371	

(Rs. in '000)

g) Category of Assets	Gratuity - Funded		
	31st March, 2022	31st March, 2021	
Insurance Fund	20,672	20,445	

(Rs. in '000)

h) Assumption:	Gratuity - Funded	
in) Assumption:	31st March, 2022	31st March, 2021
Expected Rate on Plan Assets	7.23%	6.95%
Rate of Discounting	7.23%	6.95%
Rate of Salary Increase	8.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate during employment	IALM(2012-14)	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 1.47% (P.Y. by decreased 2.16%) However the total salary increased by 3.711% (P.Y. Increased by 12.71%) during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 6.49% (P.Y. decreased by 8.43%).

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:

(Rs. in '000)

Year	PVO payouts 31st March, 2022	PVO payouts 31st March, 2021
1st Following Year	1,462	2,222
2nd Following Year	1,736	1,085
3rd Following Year	5,222	2,941
4th Following Year	1,475	3,064
5th Following Year	801	2,769
Sum of years 6 to 10	11,720	7,062
Sum of years 11 and above	23,690	17,456

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.

(Rs. in '000)

		(113. 111 000)
Particulars	31st March, 2022	31st March, 2021
Projected Benefit Obligation on Current Assumptions	23,768	20,590
Delta Effect of +1% Change in Rate of Discounting	(1,598)	(1,257)
Delta Effect of -1% Change in Rate of Discounting	1,826	1,430
Delta Effect of +1% Change in Rate of Salary Increase	1,541	1,222
Delta Effect of -1% Change in Rate of Salary Increase	(1,362)	(1,090)
Delta Effect of +1% Change in Rate of Employee Turnover	(39)	106
Delta Effect of -1% Change in Rate of Employee Turnover	46	(108)

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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

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

(Rs. in '000)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
Total employee benefit liabilities			
Other current liabilities	16	(3,096)	(145)
Other current assets	8	-	-

(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 2022 is available for encashment on separation from the company upto a maximum of 90 days

- (ii) The assumption of future salary increases, considered in actuarial valuations, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.
- (iii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- (iv) Short term compensated absences have been provided on actual basis.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

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	2021-22	2020-21
a)	Key Managerial Personnel (KMP) Mr.J.B.Desai : Managing Director Remuneration Paid	10,762	5,456
	Mr.Atul Baijal : Whole Time Director Remuneration Paid	5,374	654
	Mr. M. D. Desai : Chief Finance Officer (Resigned w.e.f. 31.03.22) Remuneration Paid	4,227	3,284
	Mr. Antony Alapat : Company Secretory (Resigned w.e.f. 31.10.21) Remuneration Paid	799	907
	Mr. Rakesh Kumawat : Company Secretory (Appointed w.e.f.13.12.22 Remuneration Paid	1) 271	-
C)	Directors		
	Mr. M. B. Desai : Chairman /Independent Director Sitting Fees Paid Commission Paid on Profit	210 -	300 156
	Mrs. C. N. Patel : Non Executive Director Sitting Fees Paid Commission Paid on Profit	180 -	210 156
	Mr. B. M. Desai : Independent Director Sitting Fees Paid Commission Paid on Profit	210 -	280 156
	Mr. J. A. Moos : Independent Director (Resigned w.e.f.11.08.21) Sitting Fees Paid Commission Paid on Profit	<u>-</u> -	110 156
	Mr. D. T. Desai : Independent Director Commission Paid on Profit	-	-
D)	Others :		
	Mr. Aditya N.Patel : Relative of Director Remuneration Paid	1,146	946
	Mrs. Amita J.Desai : Relative of Director Rent Paid	1,361	840
	Mr. Jay Shroff : Relative of Director Rent Paid	1,428	881

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

E)	Kunal Plastics Private Limited (Propack Industries)		
	Sales of Goods Purchase of Goods Render Services	6,899 7,930 4,366	2,627 4,138 2,053
	Receiving Services Balance Receivable Balance Payable	874 479 411	1,005 - 150

Transactions with KMP (Rs. in '000)

Sr No	Particulars	2021-22	2020-21
	Short Term benefits	21,433	10,927
	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
- (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

Ecoplast Ltd.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

31 (i) Contingent liabilities

(Rs. in '000)

Particulars	Year ended	
	As at 31st Mar., 2022	As at 31 March, 2021
On account of Capital Commitments (Net of advances)	4,952	142
TOTAL	4,952	142

31 (ii) Contingent liabilities

Particulars	Year ended		
	As at 31st Mar., 2022	As at 31 March, 2021	
Bank Guarantee given (Dakshin Gujrat Vij Co Ltd.)	7,291	7,291	
TOTAL	7,291	7,291	

Ecoplast Ltd.

Notes to Financial Statements for the year ended 31st March, 2022

32 Segment information:

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

- 33 The Company has imported Plant and Machineries under Export Promotion Capital Goods Scheme (EPCG) without payment of Custom Duty. In the event of non-fulfilment of export obligations as specified, Company may be held liable to pay custom duty of Rs.99.05 lacs (Previous year Rs.99.05 lacs) in terms of the said Scheme. As on 31st March 2021 Company is not in any default under the Scheme.
- 34 The Company prior to it being listed had issued Bonus shares on 29th June, 1994 for Rs. 10 Million (10,00,000 equity shares of Rs. 10/- each) by capitalising part of its revaluation reserve. Accordingly, the paid up equity share capital of the company stands increased by Rs. 10 Million and the revaluation reserve stands reduced by that amount. The issue of bonus shares as aforesaid is contrary to the circular issued by the Department of Company Affairs issued in September, 1994 and the recommendations of the Institute of Chartered Accountants of India issued in November, 1994. However, the Hon'ble Supreme Court in the decision in the case of Bhagwati Developers Vs Peerless General Finance & Investment Co. & others (2005) Comp LJ 377 (SC) has held that there is no specific bar under the Companies Act for issue of Bonus Shares out of Revaluation Reserve and that the Department's Communique was advisory in nature, without any mandatory effect. The Management is therefore of the opinion that both according to the accounting principles and provisions of Company Law, the Company was justified in capitalizing its Revaluation Reserve.

35 Leases

Operating lease:

The Company has acquired warehouse and leasehold land under operating lease. These rentals recognized in the Statement of Profit and Loss Account for the year is Rs. 28,83,691 /- (31st March, 2021: Rs. 24,41,756/-). The future minimum lease payments and payment profile of non cancellable operating leases are as under:

		(Rs. in '000)
	As at	As at
Particulars	31st Mar., 2022	31st March, 2021
Not later than one year	2,598	3,201
	1,302	4,621
Later than one year but not later than five years		
More than five years	2,855	2,926
Total	6,755	10,748

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

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

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The borrowing rate of 9.6% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

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

		(Rs. in '000)
Particulars	As at 31st Mar., 2022	As at 31st March, 2021
a) The gross amount required to be spent by the Company during the year	692	987
b) The amount spent during the year on CSR activities is as follows:	-	-
Amount spent during the year on :	-	-
Construction/Acquisition of any asset -	-	-
2) On purpose other than (1) above	700	1,000

37 Event occurring after Balance Sheet date:

Due to significent loss, the Board of Directors have not recommended any Dividend for the year ended 31st March'2022.(Previous Year Rs.0.00 per Equity Share resulted in to total Outgo of Rs. 0.00.)

38 Additional Regulatory Information

The Company does not have any transactions with Struck off Companies.

39 Authorization of Financial Statements:

Date: 27th May, 2022

As per our Report of even date.

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 27 th May, 2022.

For and on behalf of the Board of Directors For Y.B.Desai & Associates Chartered Accountants Firm ICAI Registration No. 102368W JAYMIN B. DESAI ATUL BAIJAL MAYANK Y. DESAI Managing Director Whole-time Director DIN 09046341 DIN 00156221 Membership No: 108310 UDIN: 22108310AKSHHN5390 RAKESH KUMAR KUMAWAT VAIBHAV KUMAR TOTLA Company Secretary **Chief Finance Officer** Place: Surat Place: Valsad

Date: 27 th May 2022

ECOPLAST LIMITED

Regd. Office: National Highway No. 8, Water Works Cross Road, Abrama, Valsad- 396001, Gujarat, CIN: L25200GJ1981PLC004375, Tel: 02632 226157, E-mail: investor@ecoplastindia.com

Website: www.ecoplastindia.com

Form No. MGT-11 Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

the companies (Wanagement and Administration) Rules, 2014		
Name of the Member(s)		
Registered address:		
E-mail Id:		
Folio No./ Client ID:		
DP ID No.		
I / We, being the member(s) of equity shares of the above-named comp 1. Name :		
as my / our proxy to attend and vote for me/ us and on my/ our behalf at the 40 th Annual Company at "Shantivan Resort', Atul Valsad Road, Vashiyar, Valsad-396001, 24 th September 2022 at 12.00 noon, and at any adjournment thereof, in respect of such the Notice convening the meeting, as are indicated below:	Gujarat' h resolut	on Saturday, ions set out in
Sr No. Resolutions	For	Against
Ordinary Business:		
 Consider and adopt: the audited financial statement of the Company for the Financial Year ended on 31st March 2022, together with the Directors' and Auditor's Report thereon; and the audited consolidated financial statement of the Company for the financial year ended on 31st March 2022, together with the Auditor's Report thereon. 		
2. Re-appointment of Mr. Atul Baijal (DIN: 09046341) who retires by rotation as Director.		
3. Re-appoint the Statutory Auditors and fix their remuneration:		
Special Business:		1
4. Approve revision in the remuneration payment to Mr. Atul Baijal, Whole-time Director of the Company.		
Signed thisday of		Affix Revenue Stamp of Re.1/-
Signature of Shareholder Signature of Proxy Holder (s)		

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

ECOPLAST LIMITED

Regd. Office: National Highway No. 8, Water Works Cross Road, Abrama, Valsad- 396001 Gujarat, CIN: L25200GJ1981PLC004375 Tel: 02632 226157, E-mail: investor@ecoplastindia.com Website: www.ecoplastindia.com

40TH ANNUAL GENERAL MEETING - ATTENDANCE SLIP

ame of the member(s) : egistered address:	
olio/ DP ID- Client ID NO.*:	
o. of Shares held	

I hereby record my presence at the 40TH ANNUAL GENERAL MEETING of the Company at "Shantivan Resort', Atul Valsad Road, Vashiyar, Valsad- 396001, Gujarat" on Saturday, 24th September 2022 at 12.00 noon.

Name of the Member/Proxy#	Signature of the Member/Proxy#

#Stikeout whichever is not applicable.

- Notes: 1. Shareholder /Proxyholder wishing to attend the meeting must bring this Attendance slip to the meeting and hand it over at the entrance duly signed.
 - 2. Shareholder/Proxyholder desiring to attend the meeting are requested to bring his/ her copy of the Annual Report for reference at the meeting.

^{*}Applicable for the member(s) holding shares in Electronic Form.



Tel.: 02632 - 226157/226560/254153 Fax: 91-02632-226073

Email: info@ecoplastindia.com Website: www.ecoplastindia.com

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

CIN-L25200GJ1981PLC004375

Date: 27th May, 2022

To
The General Manager
BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai 400 001

ISO 9001, 14001 & 22000 Certified Co.

BSE Scrip Code: 526703

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam

Pursuant to the Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we declare and confirm that the Auditor's Report on Standalone and Consolidated Financial Results for the financial year 31st March, 2022 are Un-modified.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For ECØPLAST LIMITED

Jaymin Desai Managing Director DIN: 00156221