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

CIN- L25200GJ1981PLC004375

Thursday, July 18, 2024

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

Scrip code: 526703

**Sub.: Annual Report for the financial year 2023-24**

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 2023-24.

The annual report also available on the company's website at [www.ecoplastindia.com](http://www.ecoplastindia.com)

We request you to take the same on record.

Thanking you

Yours faithfully  
**For Ecoplast Limited**

Rakesh Kumar Kumawat  
Company Secretary & Compliance Officer

Encl: As above



# Ecoplast Limited

42<sup>nd</sup> Annual Report 2023-24

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# Ecoplast Limited

## Annual Report 2023-24

<b>Board of Directors (as on 31.03.2024)</b>	Mukul B. Desai - Chairman Jaymin B. Desai - Managing Director Dhananjay T. Desai - Director Bhupendra M. Desai - Director Charulata N. Patel - Director Atul J. Bajjal - Whole-time Director
<b>Company Secretary &amp; Compliance Officer</b>	Rakesh Kumar Kumawat
<b>Chief Financial Officer</b>	Setu Rushi Parikh
<b>Bankers</b>	<b>Bank of Baroda</b> Main Branch, Nani Khatriwad, Valsad 396 001, Gujarat.
<b>Auditors</b>	<b>Y. B. Desai &amp; Associates</b> Chartered Accountants 1/573, 1 <sup>st</sup> Floor, Gajanand Complex, Por Maholla, Near Anand Hospital, Nanpura, Surat – 395001 .
<b>Share Registrars &amp; Transfer Agents</b>	<b>Link intime India Private Limited</b> C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083
<b>Registered Office</b>	National Highway No.8, Water Works Cross Road, Abrama, Valsad - 396002. Gujarat. email : investor@ecoplastindia.com Tel: 9879554138
<b>Head Office</b>	Unit No.1309 & 1310, 13 <sup>th</sup> Floor, Hubtown Solaris N.S Phadke Road, Andheri (East), Mumbai : 400069.
<b>Website</b>	<a href="http://www.ecoplastindia.com">www.ecoplastindia.com</a>
<b>CIN</b>	L25200GJ1981PLC004375

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**NOTICE**

Notice is hereby given that the **42<sup>nd</sup> Annual General Meeting** of the members of Ecoplast Limited will be held on Friday, August 16, 2024 at 3.30 P.M. 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 31<sup>st</sup> March 2024, 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 31<sup>st</sup> March 2024, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2024.
3. To appoint a director in place of Mr. Atul Baijal (DIN: 09046341) who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. To consider the appointment of Mr. Aditya Nitinkumar Patel (DIN: 09220379) as a Director.

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

“RESOLVED THAT Mr. Aditya Nitinkumar Patel (DIN: 09220379) who was appointed as an Additional Director of the Company with effect from June 01, 2024 and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be subject to retirement by rotation.”

5. To consider the appointment of Mr. Aditya Nitinkumar Patel (DIN: 09220379) as a Whole-time Director and payment of remuneration to him.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 as amended up to date and subject to such other approvals as may be necessary, the approval of the Company be and is hereby accorded to the appointment of Mr. Aditya Nitinkumar Patel (DIN: 09220379) as Whole-time Director of the Company for a period of three years with effect from June 01, 2024 to May 31, 2027 on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and Audit Committee, as set out in the Statement setting out material facts 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 and Audit Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment and, whose office shall be subject to retirement by rotation.

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

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

6. To consider the re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the company and payment of remuneration to him.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date and subject to such other approvals as may be necessary, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the Company for a period of three years with effect from October 01, 2024 to September 30, 2027 on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and Audit Committee, and as set out in the Statement setting out material facts 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 and Audit Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Jaymin B. Desai as Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to Mr. Jaymin B. Desai the said

remuneration as minimum remuneration subject to the ceiling limit prescribed in Schedule V to the Companies Act, 2013.

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

7. To consider the appointment of Mr. Ravi Amulbhai Mehta (DIN: 09220091) as a Director.

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

"RESOLVED THAT Mr. Ravi Amulbhai Mehta (DIN: 09220091) who was appointed as an Additional Director of the Company with effect from June 01, 2024 and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be subject to retirement by rotation."

8. To consider the appointment of Mr. Ravi Amulbhai Mehta (DIN: 09220091) as a Whole-time Director and payment of remuneration to him.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date and subject to such other approvals as may be necessary, the approval of the Company be and is hereby accorded to the appointment of Mr. Ravi Amulbhai Mehta (DIN: 09220091) as Whole-time Director of the Company for a period of three years with effect from June 01, 2024 to May 31, 2027 on the terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and Audit Committee, as set out in the Statement setting out material facts 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 and Audit Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment and, whose office shall be subject to retirement by rotation.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Ravi Amulbhai Mehta as Whole-time Director, the Company has made

no profits or its profits are inadequate, the Company shall pay to Mr. Ravi Amulbhai Mehta 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.”

9. To consider the appointment of Mr. Jay Ketan Shroff (DIN: 07712312) as a Non-Executive Director.

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

“RESOLVED THAT Mr. Jay Ketan Shroff (DIN: 07712312) who was appointed as an Additional Director of the Company with effect from June 01, 2024 and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company with effect from the date of this Annual General Meeting and whose office shall be subject to retirement by rotation.”

10. To consider the appointment of Mr. Bikash Ranjan Tarafdar (DIN: 01690748) as an Independent Director.

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

“RESOLVED THAT Mr. Bikash Ranjan Tarafdar (DIN: 01690748) who was appointed as an Additional Director of the Company with effect from June 01,2024 and who holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 (“the Act”) and who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules framed there under, read with Schedule IV to the Act, Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Bikash Ranjan Tarafdar, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations be and is hereby appointed as an Independent Director of the Company,



not liable to retire by rotation, to hold office for a period of five consecutive years from June 01, 2024 up to May 31, 2029.”

11. To consider the appointment of Mr. Monil Vijay Shah (DIN: 10619958) as an Independent Director.

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

“RESOLVED THAT Mr. Monil Vijay Shah (DIN: 10619958) who was appointed as an Additional Director of the Company with effect from June 01,2024 and who holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 (“the Act”) and who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules framed there under, read with Schedule IV to the Act, Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, Mr. Monil Vijay Shah, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from June 01, 2024 up to May 31, 2029.”

12. To consider the ratification of Remuneration of Cost Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 1,80,000 (Rupees one lac eighty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to M/s Kishore Bhatia & Associates, Cost Accountants (Firm Registration Number: 000294), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2025.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds

and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

13. To consider the payment of Commission to Non-Executive Directors of the Company.

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

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), as amended from time to time, a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year, for a period of five years, commencing April 1, 2024.”

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

By Order of the Board

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

Date: 22<sup>nd</sup> May, 2024  
Place: Valsad

**Notes:**

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

2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('Act') setting out material facts concerning the business under item number 4 to 13 set out above is annexed hereto. The brief Details of the director, who are seeking appointment/ re-appointment, are provided in the Notice as provided under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and Secretarial Standard- 2 on General Meetings issued by the Institute of Company Secretaries of India.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, August 9, 2024 to Friday, August 16, 2024 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on Thursday, August 8, 2024. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on Thursday, August 8, 2024 as per the details furnished by the Depositories for this purpose.
4. The dividend, if any, declared at the Annual General Meeting will be payable on or after September 5, 2024.
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 Link Intime India Private Limited (RTA), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083, Maharashtra.
7. In terms of Section 124 of the Companies Act, 2013 dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred by the Company to the Investor Education and Protection Fund Authority established by the Central Government pursuant to sub-section (1) of Section 125 of the Companies Act, 2013. In terms of Section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been claimed for seven consecutive years or more shall also be transferred by the company to the demat account of Investor Education and Protection Fund Authority. Any claimant of shares transferred as above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund Authority in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017. The Members, whose unclaimed dividends/ shares have been transferred to IEPF may claim the same by making an application to the IEPF Authority in web Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market.

Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.

9. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrars and Transfer Agents, Link Intime India Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [csgexemptforms2425@linkintime.co.in](mailto:csgexemptforms2425@linkintime.co.in) by 11:59 p.m. IST on August 8, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [csgexemptforms2425@linkintime.co.in](mailto:csgexemptforms2425@linkintime.co.in). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on August 8, 2024.

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

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

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

11. The Notice of the AGM along with the Annual Report for the FY 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless the Member has requested for a physical copy of the same. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.

12. Members may also note that this Notice of the Annual General meeting and the Annual Report for the year 2023-24 will be also available on the Company's Website: [www.ecoplastindia.com](http://www.ecoplastindia.com) for download.
13. All documents referred to in the notice of the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 A.M. and 1.00 P.M. except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.
14. A route map giving directions to reach the venue of the 42<sup>nd</sup> Annual General Meeting is given at the end of the Notice.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars and the SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by CDSL.
16. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
17. Process and manner for remote e-voting are as under:

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

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
  - (i) The voting period begins on Tuesday, August 13, 2024 (9.00 AM) and ends on Thursday August 15, 2024 (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 August 9, 2024 may cast their vote

electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Voting at the AGM Shall be through physical ballot paper. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue on such resolutions.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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

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

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

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

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select new system Myeasi.</li> <li>2. After successful login the Easi/ Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> and click on login &amp; new system myeasi tab and then click on registration option.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> 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</li> </ol>

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

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



<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022-48867000 and 022-24997000.

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

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For physical Shareholders other than individual holding shares in Demat form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id/ folio number in the Dividend Bank details field.</li> </ul>

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

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Ecoplast Limited.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non - Individual Shareholders and Custodians - Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [eco.scrutinizer@gmail.com](mailto:eco.scrutinizer@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai- 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

18. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of August 9, 2024.

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

27. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting, scrutinize the vote casted through remote e-voting and voting at the meeting and make not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ecoplastindia.com](http://www.ecoplastindia.com) and on the website of CDSL [www.evotingindia.com](http://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.
29. SEBI vide circular nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with master circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website.

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

By Order of the Board  
**For Ecoplast Limited**

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

Place: Valsad  
Date: 22<sup>nd</sup> May, 2024

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4 & 5**

Pursuant to Section 161(1) of the Companies Act, 2013 Mr. Aditya Nitinkumar Patel was appointed as an Additional Director with effect from June 1, 2024 at the Board Meeting held on May 22, 2024. In terms of Section 161(1) of the Companies Act, 2013 Mr. Aditya Nitinkumar Patel would hold office up to the date of the ensuing Annual General Meeting and is eligible for appointment as Director.

Mr. Aditya Patel, aged approximately 29 years, has completed a BSc in Industrial & Systems Engineering from the Georgia Institute of Technology, Atlanta, USA. He joined Ecoplast Ltd in the Sales & Marketing function in 2019 after working at Larsen & Toubro in the Operational Excellence (OpEx) team, fulfilling a Management Consulting role. He is a young, dynamic, and passionate executive adept at directing marketing strategies, managing customer accounts, and implementing various efficiency improvement and cost reduction programs.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Aditya Nitinkumar Patel for the office of Director of the Company.

The Company has received from Mr. Aditya Nitinkumar Patel (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

On the recommendations of the Nomination and Remuneration Committee and Audit Committee the Board of Directors of the Company at its meeting held on May 22, 2024 recommended the appointment and terms and conditions including payment of remuneration of Mr. Aditya Nitinkumar Patel as Whole-time Director of the Company, for a period of 3 (three) years with effect from June 1, 2024 to May 31, 2027.

The terms of remuneration payable to Mr. Aditya Nitinkumar Patel, Whole-time Director are set out below:

1. Basic Salary of Rs. 1,20,000/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
2. Perquisites: In addition to the aforesaid salary Mr. Aditya Patel shall also be entitled to the following perquisites:
  - i. House Rent Allowance of Rs. 28,000/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
  - ii. Conveyance Allowance of Rs. 7,700/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.

- iii. Leave Travel Allowance of Rs. 7,800/- per month with such increments, effective 1st April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment
- iv. Medical Allowance of Rs. 3,000/- per month with such increments, effective 1st April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
- v. Company's contribution to Provident fund 12% of the monthly basic salary.
- vi. Company's contribution to Super Annuation Fund 15% of the monthly basic salary.
- vii. Bonus as per Company rules.
- viii. Reimbursement of car fuel and driver's salary as actual.
- ix. Mediclaim and Personal Accident Policy as per Company's rules.
- x. Reimbursement of entertainment, traveling and other expenses actually and properly incurred in the course of business of the Company.

The value of the perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable and at cost in the absence of any such Rules.

Notwithstanding anything to the contrary here in contained, where, in any financial year during the currency of the tenure of Mr. Aditya Nitinkumar Patel 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 ceiling 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. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- ii. Encashment of un-enjoyed leaves as per the Company's rules at the end of his tenure as Whole-time Director.

All income tax and other impositions, if any, in respect of Mr. Aditya Nitinkumar Patel'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.

Pursuant to Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the listed entities to avail approval of shareholders by way of Special Resolution for payment of annual remuneration to promoter executive Director which exceeds Rs. 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Further Pursuant to the provisions of section 196, 197, 203 of the Act read with rules made thereunder and Schedule V of the Act, and other applicable provisions of SEBI Listing Regulations, the appointment and payment of remuneration to Mr. Aditya Nitinkumar Patel is subject to the approval of shareholders by way of special resolution.

Copy of draft agreement for the appointment of Mr. Aditya Nitinkumar Patel as the Whole-time Director of the company is being made available for inspection, by the members.

Mr. Aditya Nitinkumar Patel is interested in resolution at Item no 4 and 5 which pertains to his appointment and remuneration payable to him. Mrs. Charulata Patel, Non-Executive Director of the company may be deemed to be interested in the said resolutions as she is relative of Mr. Aditya Nitinkumar Patel.

Save and except the above, none of the other Directors, KMPs, and their relatives are in any way concerned or interested, financially or otherwise in the above resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 4 and the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

### **STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013:**

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')

<b>Particulars</b>	<b>2022-23</b>	<b>2023-24</b>
Turnover	9,60,138	11,34,414
Net profit / (loss)	44,454	94,670
Amount of Dividend paid	4,500	9,000
Rate of Dividend declared	15%	30%

**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. Aditya Nitinkumar Patel, Whole-time Director****1) Background details:**

**Name:** Mr. Aditya Nitinkumar Patel

**Designation:** Whole-time Director

**Father's name:** Mr. Nitinkumar M. Patel

**Nationality:** Indian

**Date of Birth:** 17/11/1994

**Qualifications:** B.sc

**2) Experience:** 7 years.**3) Past remuneration:** The remuneration paid to him as the Whole-time Director of the Company in the year 2023-24 was Rs. nil.**4) Recognition or awards:** Nil**5) Job profile and his suitability:** The Whole-time Director shall be responsible for sales and business development 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. Aditya Nitinkumar Patel, 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:**

In addition to the remuneration proposed to be paid to Mr. Aditya Nitinkumar Patel, Whole-time Director, he is also member of promoter group and a relative of Mrs. Charulata Patel, Non-executive Director of the company.

### III. Other Information:

**1) Reasons of loss or Inadequate profits:**

The Company has earned profits in last year. However, the profitability of the Company may be adversely impacted in future due to unfavorable business environment and hence the payment of minimum remuneration as per Schedule V of the Companies Act, 2013 is proposed in case of inadequate profit in any one year.

**2) Steps taken or proposed to be taken for improvement:**

Not Applicable.

**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. Disclosure:

The details required to be given under this head have been disclosed in the Corporate Governance Report of the Company for the financial year 2023-24. The Company has not granted any stock options to its Directors.

### Item No. 6

At the 39<sup>th</sup> Annual General Meeting (“AGM”) held on 28<sup>th</sup> August, 2021, the Members of the Company re-appointed Mr. Jaymin B. Desai as Managing Director of the Company for a period of 3 years with effect from October 1, 2021 to September 30, 2024, on the terms and conditions of appointment and payment of remuneration as approved by them. The Term of appointment of Mr. Jaymin B. Desai as Managing Director would expire on September 30, 2024.

Mr. Jaymin B. Desai aged 63 years is a graduate Chemical Engineer from Karnataka University. He joined the company as a works manager in 1985, and soon after was promoted as Director for his commendable efforts and achievements in not only improving productivity, but for his leadership in developing personnel and a dedicated work culture. He was then promoted as Managing Director of the company in October 2007.

Base on the recommendations of the Nomination and Remuneration Committee and Audit Committee and considering significant activities and responsibilities borne by the Managing Director and the industry standards, the Board of Directors of the Company at its meeting held on May 22, 2024, recommended the re-appointment and terms and conditions including payment of remuneration of Mr. Jaymin B. Desai as Managing of the Company, for a further period of 3 (three) years with effect from October 1, 2024 to September 30, 2027.

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

1. Basic Salary of Rs. 8,23,000/- per month with such increments, effective 1<sup>st</sup> October every year, as may be decided by the Board of Directors of the company within the scale of 7% to 10% per year, during the tenure of his appointment.
2. Perquisites: In addition to the aforesaid salary Mr. Jaymin B. Desai shall also be entitled to the following perquisites:
  - i. Leave Travel Allowance of Rs. 13,800/- per month with such increments, effective 1<sup>st</sup> October every year, as may be decided by the Board of Directors of the company within the scale of 7% to 10% per year, during the tenure of his appointment.
  - ii. Medical Allowance of Rs. 22,900/- per month with such increments, effective 1<sup>st</sup> October every year, as may be decided by the Board of Directors of the company within the scale of 7% to 10% per year, during the tenure of his appointment.
  - iii. Reimbursement of Medical Insurance premium not exceeding Rs. 25,000 per annum.
  - iv. Personal Accident Insurance policy to cover the risk up to an annual premium not exceeding a sum of Rs. 10,000/-.
  - v. Provision for car including driver's salary and telephone at the residence of the Managing Director and mobile phone for the business of the Company shall not be treated as perquisites.
  - vi. Reimbursement of entertainment, traveling and other expenses actually and properly incurred in the course of business of the Company.
  - vii. Company's contribution to Provident Fund 12% of the monthly basic salary.
  - viii. Company's contribution to Super Annuation Fund 15% of the monthly basic salary.

The value of the perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable and at cost in the absence of any such Rules.

Wherein any financial year during the currency of the tenure of Mr. Jaymin B. Desai, Managing Director, the Company has made no profits or its profits are inadequate,

the Company shall pay to Mr. Jaymin B. Desai the above remuneration as minimum remuneration subject to the ceiling limit prescribed in Schedule V to the Companies Act, 2013.

Mr. Jaymin B. Desai 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. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- ii. Encashment of un-enjoyed leaves as per the Company's rules at the end of his tenure as Managing Director.

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

Pursuant to Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 requires the listed entities to avail approval of shareholders by way of Special Resolution for payment of annual remuneration to promoter executive Director which exceeds Rs. 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Further Pursuant to the provisions of section 196, 197, 203 of the Act read with rules made thereunder and Schedule V of the Act, and other applicable provisions of SEBI Listing Regulations, the re-appointment and payment of remuneration to Mr. Jaymin B. Desai is subject to the approval of shareholders by way of special resolution.

Copy of draft agreement for the re-appointment of Mr. Jaymin B. Desai as the Managing Director of the company is being made available for inspection, by the members.

The Board of Directors recommends Resolution at item No. 6 as a Special Resolution for approval of the members.

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

**STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013:**

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

**V. 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')

Particulars	2022-23	2023-24
Turnover	9,60,138	11,34,414
Net profit / (loss)	44,454	94,670
Amount of Dividend paid	4,500	9,000
Rate of Dividend declared	15%	30%

**5) Foreign investments or collaborations, if any:**

The Company has not entered into any foreign collaborations. The Company has not made any foreign investments.

**VI. Information about the appointee: Mr. Jaymin B. Desai, Managing Director**

**1) Background details:**

**Name:** Mr. Jaymin B. Desai

**Designation:** Managing Director

**Father's name:** Mr. Balwantraj Desai

**Nationality:** Indian

**Date of Birth:** 30/09/1960

**Qualifications:** B.E. (Chemical)

**2) Experience:** 39 years.

**3) Past remuneration:** The gross remuneration paid to him as the Whole-time Director of the Company in the year 2023-24 was Rs. 111.52 lacs.

**4) Recognition or awards:** Nil

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

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

**7) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile of Mr. Jaymin B. Desai, his Responsibilities and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

**8) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to him, Mr. Jaymin B. Desai or any of his relatives do not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**VII. Other Information:**

**4) Reasons of loss or Inadequate profits:**

The Company has earned profits in last year. However, the profitability of the Company may be adversely impacted in future due to unfavorable business environment and hence the payment of minimum remuneration as per Schedule V of the Companies Act, 2013 is proposed in case of inadequate profit in any one year.

**5) Steps taken or proposed to be taken for improvement:**

Not Applicable.

**6) Expected increase in productivity and profits in measurable terms etc:** It is unable to predict the increase in productivity and profits in measurable terms.

**VIII. Disclosure:**

The details required to be given under this head shall be disclosed in Corporate Governance Report of the Company in the forthcoming Annual Report of 2023-24. The Company has not granted any stock options to its Directors.

**Item No. 7 & 8**

Pursuant to Section 161(1) of the Companies Act, 2013 Mr. Ravi Amulbhai Mehta was appointed as an Additional Director with effect from June 1, 2024 at the Board Meeting held on May 22, 2024. In terms of Section 161(1) of the Companies Act, 2013 Mr. Ravi Amulbhai Mehta would hold office up to the date of the ensuing Annual General Meeting and is eligible for appointment as Director.

Mr. Ravi Amulbhai Mehta, aged about 43 years, has completed his B.E. from South Gujarat University and PGDBM from Som-Lalit Institute of Management Studies (Deemed). He has around 19 years of rich experience in the field of Sales & Marketing, Pricing Strategies, Metric & Quota Attainment, Operations Management, Corporate Account Development, among other areas. He is associated with Ecoplast Ltd as a sales and marketing consultant since last seven years.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Ravi Amulbhai Mehta for the office of Director of the Company.

The Company has received from Mr. Ravi Amulbhai Mehta (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

On the recommendations of the Nomination and Remuneration Committee and Audit Committee the Board of Directors of the Company at its meeting held on May 22, 2024 recommended the appointment and terms and conditions including payment of remuneration of Mr. Ravi Amulbhai Mehta as Whole-time Director of the Company, for a period of 3 (three) years with effect from June 1, 2024 to May 31, 2027.

The terms of remuneration payable to Mr. Ravi Amulbhai Mehta, Whole-time Director are set out below:

1. Basic Salary of Rs. 1,42,200/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
2. Perquisites: In addition to the aforesaid salary Mr. Ravi Amulbhai Mehta shall also be entitled to the following perquisites:
  - i. House Rent Allowance of Rs. 56,880/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
  - ii. Conveyance Allowance of Rs. 1,850/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
  - iii. Leave Travel Allowance of Rs. 8,500/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment
  - iv. Medical Allowance of Rs. 1,450/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors of the company within the scale of 7% to 15% per year, during the tenure of his appointment.
  - v. Education Allowance of Rs. 250/- per month with such increments, effective 1<sup>st</sup> April every year, as may be decided by the Board of Directors

of the company within the scale of 7% to 15% per year, during the tenure of his appointment.

- vi. Company's contribution to Provident Fund 12% of the monthly basic salary.
- vii. Company's contribution to Super Annuation Fund 15% of the monthly basic salary.
- viii. Company's contribution to National Pension Scheme (NPS) 10% of the basic salary.
- ix. Bonus as per Company rules.
- x. Reimbursement of car fuel and driver's salary as actual.
- xi. Mediclaim and Personal Accident Policy as per Company's rules.
- xii. Reimbursement of entertainment, traveling and other expenses actually and properly incurred in the course of business of the Company.

The value of the perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable and at cost in the absence of any such Rules.

Notwithstanding anything to the contrary here in contained, where, in any financial year during the currency of the tenure of Mr. Ravi Amulbhai Mehta 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 ceiling 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. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- ii. Encashment of un-enjoyed leaves as per the Company's rules at the end of his tenure as Whole-time Director.

All income tax and other impositions, if any, in respect of Mr. Ravi Amulbhai Mehta'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.

Pursuant to the provisions of section 196, 197, 203 of the Act read with rules made thereunder and Schedule V of the Act, and SEBI Listing Regulations, the appointment and payment of remuneration to Mr. Ravi Amulbhai Mehta is subject to the approval of shareholders by way of special resolution.



Copy of draft agreement for the appointment of Mr. Ravi Amulbhai Mehta as the Whole-time Director of the company is being made available for inspection, by the members.

The Board recommends the Ordinary Resolution set out at Item No. 7 and the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

None of the Directors, KMPs, and their relatives except Mr. Ravi Amulbhai Mehta are in any way concerned or interested, financially or otherwise in the above resolution.

**STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013:**

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

**IX. General Information:**

6) **Nature of Industry:** Manufacturing Industry- Plastics

7) **Date or expected date of Commencement of Commercial production:**

The Company has been in the business since 1982.

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

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

(Rs. in 000')

Particulars	2022-23	2023-24
Turnover	9,60,138	11,34,414
Net profit / (loss)	44,454	94,670
Amount of Dividend paid	4,500	9,000
Rate of Dividend declared	15%	30%

10) **Foreign investments or collaborations, if any:**

The Company has not entered into any foreign collaborations. The Company has not made any foreign investments.

**X. Information about the appointee: Mr. Ravi Amulbhai Mehta, Whole-time Director**

1) **Background details:**

**Name:** Mr. Ravi Amulbhai Mehta

**Designation:** Whole-time Director

**Father's name:** Mr. Amulbhai Mehta

**Nationality:** Indian

**Date of Birth:** 27/04/1981

**Qualifications:** Bachelor of Engineering, PGDBM from Som-Lalit Institute of Management Studies (Deemed)

2) **Experience:** 19 years.

- 3) **Past remuneration:** The remuneration paid to him as the Whole-time Director of the Company in the year 2023-24 was Rs. nil.
- 4) **Recognition or awards:** Nil
- 5) **Job profile and his suitability:** The Whole-time Director shall be responsible for sales and business development 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. Ravi Amulbhai Mehta, 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, Mr. Ravi Amulbhai Mehta or any of his relatives do not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**XI. Other Information:**

- 7) **Reasons of loss or Inadequate profits:**  
The Company has earned profits in last year. However, the profitability of the Company may be adversely impacted in future due to unfavorable business environment and hence the payment of minimum remuneration as per Schedule V of the Companies Act, 2013 is proposed in case of inadequate profit in any one year.
- 8) **Steps taken or proposed to be taken for improvement:**  
Not Applicable.
- 9) **Expected increase in productivity and profits in measurable terms etc:** It is unable to predict the increase in productivity and profits in measurable terms.

**XII. Disclosure:**

The details required to be given under this head have been disclosed in the Corporate Governance Report of the Company for the financial year 2023-24. The Company has not granted any stock options to its Directors.

**Item No. 9**

Based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company at its meeting held on May 22, 2024, appointed Mr. Jay Ketan Shroff as an Additional Director of the Company w.e.f. June 1, 2024. Mr. Jay Ketan Shroff would hold office up to the date of the ensuing Annual General Meeting and is eligible for appointment as Director.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Jay Ketan Shrof for the office of Director of the Company.

The Company has received from Mr. Jay Ketan Shroff (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 dated June 20, 2018 that he has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

Jay Ketan Shroff, aged 36, holds a Master of Commerce degree from Mumbai University. He is a Chartered Financial Analyst from the CFA Institute, USA, and a Chartered Accountant from the ICAI. He is a dynamic professional with over 15 years of diverse experience spanning Banking, Finance, Taxation, Strategy, and Investments. Mr. Jay Ketan Shroff has worked in various roles in the financial sector and has a strong background in investment banking, mergers & acquisitions, and public market operations. He is currently active in the capital markets and runs his own investment firm.

Mr. Jay Ketan Shroff is interested in resolution at Item no. 9 which pertains to his appointment. Mr. Jaymin B. Desai, Managing Director of the company may be deemed to be interested in the said resolutions as he is a relative of Mr. Jay Ketan Shroff.

Save and except the above, none of the other Directors, KMPs, and their relatives are in any way concerned or interested, financially or otherwise in the above resolutions.

The Board recommends the ordinary resolution set forth at Item No. 9 for the approval of the Members.

**Item No. 10**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 22, 2024 appointed Mr. Bikash Ranjan Tarafdar as an additional Director of the company w.e.f. June 1, 2024.

Further, Based on the recommendation of the Nomination and Remuneration Committee and Subject to approval of the Shareholders, the Board of Directors of the Company appointed Mr. Bikash Ranjan Tarafdar as an Independent Director of the Company for a term of 5 years w.e.f. June 1, 2024.

Mr. Bikash Ranjan Tarafdar, aged about 66 years, has completed BSc and LLB from Kolkata University. He is a Fellow member of the Institute of Company Secretaries of India and Associate member of the Institute of Cost Accountants of India, bringing with him over 35 years of rich experience in Banking, Finance, Cost Management, Product pricing strategy and corporate compliance, among other areas. He has worked with numerous CPSU and listed companies throughout his career.

The Company has received a declaration from Mr. Bikash Ranjan Tarafdar, that he meets the criteria of independence under the Companies Act, 2013 and Listing Regulations. Further, the Company has also received Mr. Bikash Ranjan Tarafdar consent to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 that he has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Bikash Ranjan Tarafdar for the office of Director of the Company.

In the opinion of the Board, Mr. Bikash Ranjan Tarafdar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is Independent of the management.

Copy of draft letter of appointment of Mr. Bikash Ranjan Tarafdar setting out the terms and conditions of appointment is being made available for inspection, by the members.

None of the Directors, KMPs, and their relatives except Mr. Bikash Ranjan Tarafdar are in any way concerned or interested, financially or otherwise in the above resolution.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the Listing Regulations, the approval of the Members is sought for the appointment of Mr. Bikash Ranjan Tarafdar as an Independent Director on the Board of the Company, as a Special Resolution as set out above.

The Board recommends the special resolution set forth at Item No. 10 for the approval of the Members.

### **Item No. 11**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 22, 2024 appointed Mr. Monil Vijay Shah as an additional Director of the company w.e.f. June 1, 2024.

Further, Based on the recommendation of the Nomination and Remuneration Committee and Subject to approval of the Shareholders, the Board of Directors of the Company

appointed Mr. Monil Vijay Shah as an Independent Director of the Company for a term of 5 years w.e.f. June 1, 2024.

Mr. Monil Vijay Shah, aged about 35 years, has completed M.com from Mumbai University. He is an associate member of The Institute of Chartered Accountants of India, bringing with him over 12 years of rich experience in Finance, Cost Management, Pricing strategy, and compliance consultancy, among other areas.

The Company has received a declaration from Mr. Monil Vijay Shah, that he meets the criteria of independence under the Companies Act, 2013 and Listing Regulations. Further, the Company has also received Mr. Monil Vijay Shah consent to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also submitted a Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 that he has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Monil Vijay Shah for the office of Director of the Company.

In the opinion of the Board, Mr. Monil Vijay Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is Independent of the management.

Copy of draft letter of appointment of Mr. Monil Vijay Shah setting out the terms and conditions of appointment is being made available for inspection, by the members.

None of the Directors, KMPs, and their relatives except Mr. Monil Vijay Shah are in any way concerned or interested, financially or otherwise in the above resolution.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the Listing Regulations, the approval of the Members is sought for the appointment of Mr. Monil Vijay Shah as an Independent Director on the Board of the Company, as a Special Resolution as set out above.

The Board recommends the special resolution set forth at Item No. 11 for the approval of the Members.

### **Item No 12**

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 ('the Rules'), the Company is required to appoint a Cost Auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, the Board of Directors of the Company had approved the appointment of M/s Kishore Bhatia & Associates, Cost Accountants

(Firm Registration Number: 000294), as the Cost Auditor of the Company for the financial year 2024-25 at a remuneration of Rs. 1,80,000/- per annum plus out of pocket expenses and applicable taxes. The remuneration payable to Cost Auditors is required to be ratified by the Shareholders in accordance to the provisions of the Act and Rule 14 of the Rules.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in the above resolution.

The Board recommends the Ordinary Resolution at Item No. 12 of this Notice for approval by the shareholders.

**Item No 13**

At the Annual General Meeting of the Company held on September 6, 2019, the Members had approved of the payment of commission to Non-executive Directors of the Company not exceeding one percent per annum of the net profits of the Company for a period of five years commencing from April 1, 2019.

It is proposed to continue with the payment of commission to Non-Executive Directors of the Company. Accordingly, it is proposed that in terms of Section 197 of the Act, the Directors (apart from the Managing Director and Whole-time Directors) be paid, for each of the five consecutive financial years of the Company commencing April 1, 2024, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in the above resolution.

The Board recommends the Ordinary Resolution at item no. 13 of this Notice for approval by the shareholders.

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

<b>Particulars</b>	<b>Details</b>		
Name	Mr. Atul Baijal	Mr. Aditya Nitinkumar Patel	Mr. Jaymin Desai
DIN	09046341	09220379	00156221
Date of Birth, Age, Nationality	06/08/1965, 58 years, Indian	17/11/1994, 29 years, Indian	30/09/1960, 63 years, Indian

## Ecoplast Ltd

Date of Appointment/ First Appointment in the Board	February 11, 2021	June 1, 2024	June 23, 1990
Qualification	B.sc, Post Graduate Diploma in Plastics Testing and Quality Control from CIPET, MBA from ITM	B.sc	B.E (Chemical)
Experience (including expertise in specific functional area)	Close to four decades of experience in Paper Industry Packaging Industry.	Business Development, Client Relationship Management, Product Development, Data Analysis, Market Research.	Business Management
Brief Resume	He is a plastic technologist with a rich techno commercial background with close to four decades of experience spanning right from Quality control, Quality Assurance, Technical Services, Technical Development, Operations, Sales and Global procurement the in the Indian Flexible Packaging Industry.	Disclosed in explanatory statement	Disclosed in explanatory statement
Directorship held in other Public Companies	Synergy Films Private Limited (Deemed Public Company)	-	1. Gourock Plastics & Packaging Ltd. 2. Total Packaging Limited
Membership/ Chairmanships of Committees of other public Companies (Includes only Audit and Stakeholders)	-	-	-

Relationship Committee)			
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board including the listed entities from which the person has resigned in the past three years	-	-	-
Terms and conditions of appointment	He has been appointed as a Director of the Company and is liable to retire by rotation.	Appointment as Whole-time Director for 3 years effective from June 1, 2024.	Re-appointment as Managing Director for 3 years effective from October 1, 2024.
Details of remuneration sought to be paid and the remuneration last drawn by such person	Remuneration drawn in financial year 2023-24 was Rs. 59.41 lacs and the Remuneration in financial year 2024-25 will be paid as per Special Resolution passed by the members.	Details disclosed in Item No. 4 & 5 of the explanatory statement to the notice.	Details disclosed in Item No. 6 of the explanatory statement to the notice.
Number of Shares held in the Company	-	31,962	1,22,335
Relationship between Directors inter se	No relation with other Director and KMPs of the company.	Mr. Aditya Nitinkumar Patel is relative of Mrs. Charulata Patel, non-executive Director of the company.	No Relations with other Directors, Manager or KMP of the Company.
Justification for choosing the appointee for appointment as Independent Director	Not Applicable	Not Applicable	Not Applicable
In case of independent	Not Applicable	Not Applicable	Not Applicable



## Ecoplast Ltd

directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements			
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Particulars	Details			
Name	Mr. Ravi Amulbhai Mehta	Mr. Jay Ketan Shroff	Mr. Bikash Ranjan Tarafdar	Mr. Monil Vijay Shah
DIN	09220091	07712312	01690748	10619958
Date of Birth, Age, Nationality	27/04/1981, 43 years, Indian	08/05/1988, 36 years, Indian	02/01/1958, 66 years, Indian	17/07/1988, 35 years, Indian
Date of Appointment/ First Appointment in the Board	June 1, 2024	June 1, 2024	June 1, 2024	June 1, 2024
Qualification	Bachelor of Engineering & PGDBM	B.com, M.com, Chartered Accountant & CFA.	Bsc, LLB, Company Secretary & Cost and Works Accountant	B.com, M.com, Chartered Accountant.
Experience (including expertise in specific functional area)	Expert in sales and marketing.	Business Strategy and Finance	Cost Management and Corporate Compliance	Finance and Cost Management, Pricing Strategy and Corporate accounting.
Brief Resume	Disclosed in explanatory statement	Disclosed in explanatory statement	Disclosed in explanatory statement	Disclosed in explanatory statement
Directorship held in other Public Companies	-	-	-	-
Membership/ Chairmanships of Committees of	-	-	-	-

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other public Companies (Includes only Audit and Stakeholders Relationship Committee)				
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board including the listed entities from which the person has resigned in the past three years	-	-	-	-
Terms and conditions of appointment	Appointment as Whole-time Director for 3 years effective from June 1, 2024.	Appointment as Non-Executive Director effective from June 1, 2024.	Appointment as Independent Director for a term of 5 (five) years commencing from June 1, 2024.	Appointment as Independent Director for a term of 5 (five) years commencing from June 1, 2024.
Details of remuneration sought to be paid and the remuneration last drawn by such person	Details disclosed in Item No. 7 & 8 of the explanatory statement to the notice.	Sitting fees is payable for attending Board Meetings / Committee Meetings. Payment of Commission as per the provisions of the Companies Act, 2013, if appointed.	Sitting fees is payable for attending Board Meetings / Committee Meetings. Payment of Commission as per the provisions of the Companies Act, 2013, if appointed.	Sitting fees is payable for attending Board Meetings / Committee Meetings. Payment of Commission as per the provisions of the Companies Act, 2013, if appointed.
Number of Shares held in the Company.	-	76,040	-	-
Relationship between Directors inter se	No relation with other Director and	Mr. Jay Ketan Shroff is relative of Mr. Jaymin B.	No relation with other Director and	No relation with other Director and

	KMPs of the company.	Desai, Managing Director of the company.	KMPs of the company.	KMPs of the company.
Justification for choosing the appointee for appointment as Independent Director	Not Applicable	Not Applicable	His association would be immense benefit to the Company.	his association would be immense benefit to the Company.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable	He has the requisite skills and capabilities as required for business requirements of the Company.	He has the requisite skills and capabilities as required for business requirements of the Company.

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.

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

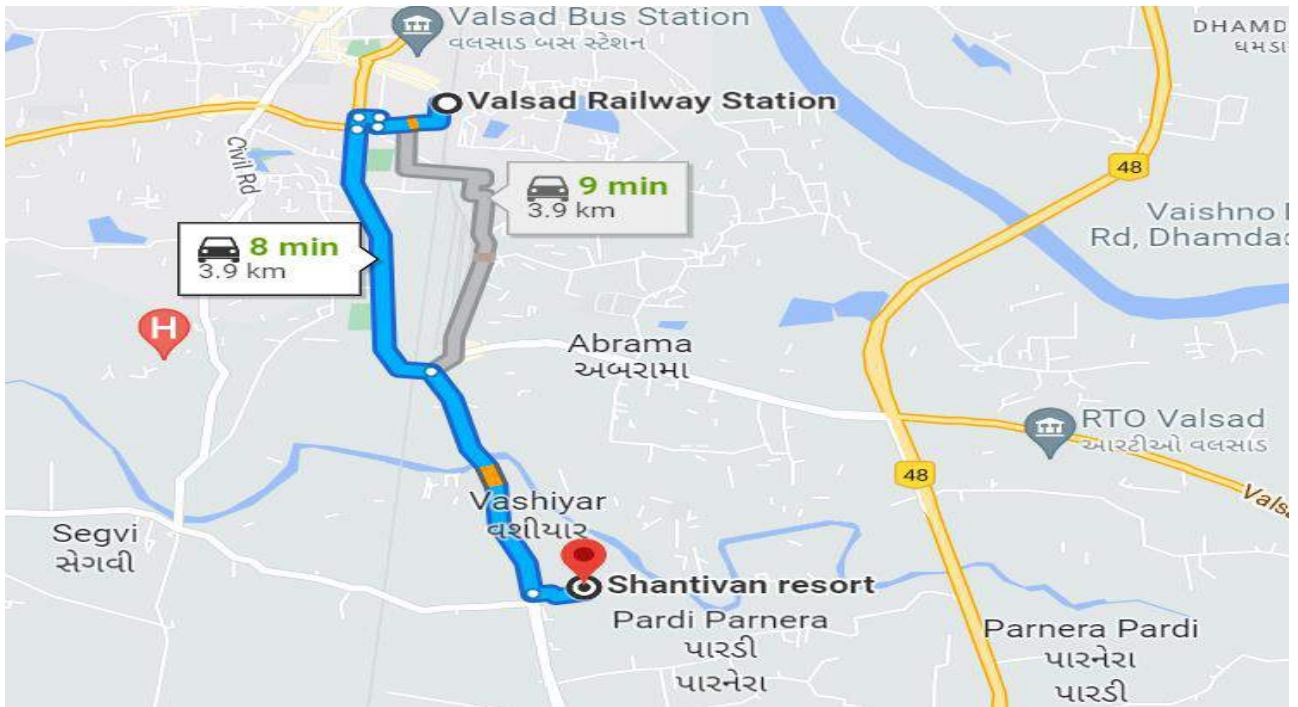
By Order of the Board  
**For Ecoplast Limited**

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

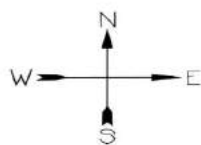
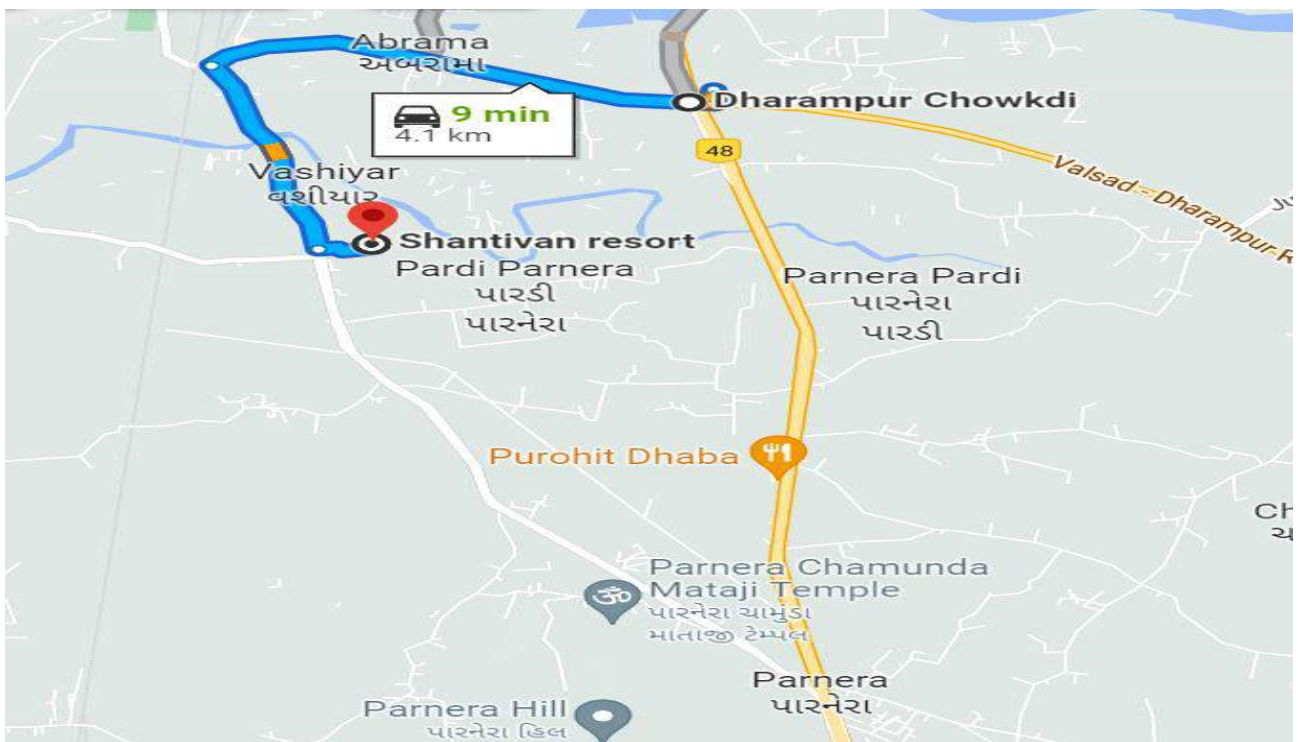
Place: Valsad  
Date: 22<sup>nd</sup> May, 2024

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

Route from Valsad Railway Station



Route from Dharmpur Valsad Chowkadi



**BOARD'S REPORT**

To

The Members,

The Directors are pleased to present their 42<sup>nd</sup> Annual Report and Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024.

**FINANCIAL SUMMARY:**

(Rs. in '000)

<b>Particulars</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
Revenue from operations	<b>11,34,414</b>	9,60,138
Other income	<b>21,831</b>	38,998
Total Income	<b>11,56,245</b>	9,99,136
Operating profit (loss) before depreciation and tax	<b>1,49,135</b>	86,508
Depreciation	<b>24,824</b>	24,530
Profit (loss) before tax	<b>1,24,311</b>	61,978
Tax expenses		
Current tax	<b>28,252</b>	8,472
Deferred tax	<b>2,020</b>	9,741
Tax in respect of earlier years	<b>(631)</b>	(689)
Profit (loss) after tax	<b>94,670</b>	44454

**Operations/ State of Company's Affairs:**

During the year under review (FY 2023-24), the sales value showed an increase of 18% (from 9,601.38 lacs in 2022-23 to Rs 11,344.14 lacs in 2023-24). The PBDIT increased by 60% (from 954.58 lacs in 2022-23 to Rs 1,524.80 lacs in 2023-24) and company net profit almost doubled (from Rs 444.54 lacs to 946.70 lacs).

The total exports sales increased, in terms of value, export sales grew by 73% (from 1,343 lacs in 2022-23 to 2,318 lacs in 2023-24). In terms of volumes, export sales grew by 47% (from 562 MT in 2022-23 to 828 MT in 2023-24).

The increase in sales and profit was a due to various steps taken by the management, namely

- Exiting lamination business which helped the company to use the existing resources more effectively.
- Concentrated efforts on increasing sales of specialty products, adhesive films and surface protection films in the domestic market.
- Focus on increasing our export sales of surface protection films,
- Streamlining supply chain activities resulting in to reduced inventory

- Focus on reducing raw material costs by reviewing technical and concentrated buying efforts

The above two also drastically helped in streamlining our working capital, thereby reducing finance costs

- Focus on developing products for new applications of surface protection films
- Converting increased volumes by outsourcing to overcome capacity constraints

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

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

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

Safety measures against Covid continued as a precautionary step.

### **DIVIDEND:**

The Board of Directors have recommended a dividend of Rs. 3 [30%] per equity share of the face value of Rs. 10 (Rupees ten only) for the financial year 2023-24 (previous year Rs. 1.5 [15%] per equity share) for the approval at the Annual General Meeting. The Dividend if approved, will result in a cash outflow of Rs. 90 lacs (previous year Rs. 45 lacs)

### **TRANSFER OF AMOUNTS TO RESERVES:**

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

### **BOARD MEETINGS:**

The Board of Directors met six times during the financial year 2023-24. The dates of the Board meetings have been mentioned in the Corporate Governance Report which forms part of this report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year, the tenure of Mr. Atul Baijal (DIN: 09046341) as the Whole Time Director of the Company expired on February 10, 2024. The Board of Directors approved the re-appointment of Mr. Atul Baijal, as Whole Time Director for a further period of three years with effect from February 11, 2024. The said re-appointment was approved by the Members of the Company through Postal Ballot which was held on January 8, 2024.

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. Vaibhav Kumar Totla resigned as Chief Financial Officer ('CFO') and Key Managerial Personnel ('KMP') of the Company w.e.f. November 3, 2023 and the Board appreciates his association and service to the company during his tenure.

Mr. Setu Rushi Parikh, was appointed as Chief Financial Officer of the Company w.e.f. November 4, 2024.

**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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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](http://www.ecoplastindia.com).

**AUDIT COMMITTEE:**

The Audit Committee of the Board has been constituted in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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](http://www.ecoplastindia.com)

There has been no change in the said 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](http://www.ecoplastindia.com)

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors, have laid down internal financial controls to be followed by the company in consultation with the experts and that such internal financial controls are adequate and were operating effectively.



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

**DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

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

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

**SUBSIDIARY COMPANY:**

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

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

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company along with relevant documents and separate audited financial statements in respect of the subsidiary are available on the website of the Company at [www.ecoplastindia.com](http://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 2023-24 is uploaded on the website of the Company. The same is available on [www.ecoplastindia.com](http://www.ecoplastindia.com)

**AUDITORS:**

As per the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Y.B. Desai & Associates, Chartered Accountants, Surat, (ICAI Registration No. 102368W) were re-appointed as Statutory Auditors of the Company at the 40<sup>th</sup> Annual General Meeting of the Company for a second term of

five years from the conclusion of 40<sup>th</sup> Annual General Meeting till the 45<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027.

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

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

**SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2023-24.

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

**AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:**

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

**COST AUDITORS:**

The provisions of section 148 (2) for appointment of Cost Auditors were 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 31<sup>st</sup> March 2024 the Company has made the following loans and Investments under section 186 of the Companies Act, 2013.

Investments Rs. 0.93 lacs for 11,95,360 Equity Shares of Rs. 10 each fully paid up in Synergy Films Private Limited (Wholly Owned Subsidiary).

Loan Rs. 15 lacs given to Synergy Films Private Limited (Wholly Owned Subsidiary).

**RISK MANAGEMENT POLICY:**

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

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

The Provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013 are not applicable to the company.

**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- IV 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:

<b>Sr. No.</b>	<b>Performance evaluation of</b>	<b>Performance evaluation performed by</b>	<b>Criteria</b>
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

			<p>duties and obligations, timely flow of information etc.</p> <p>The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.</p>
--	--	--	---

**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 -V 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 2023-24.

**LISTING WITH STOCK EXCHANGE:**

The Company confirms that it has paid the Annual Listing Fees for the year 2023-24 to BSE Limited 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](http://www.ecoplastindia.com)

**CORPORATE GOVERNANCE:**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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: 22<sup>nd</sup> May, 2024  
Place: Valsad

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

**ANNEXURE -I  
Form No. AOC- 1**

**Salient features of the Financial Statement of the Subsidiary Company**

			As at 31 March, 2024	As at 31 March, 2023
1)	Name of Subsidiary Company	:	Synergy Films Private Limited	
2)	Reporting Currency	:	INR	
			(Rs. in '000)	(Rs. in '000)
3)	Capital	:	Rs. 11,954	11,954
4)	Reserves	:	Rs. (5,595)	(4,635)
5)	Total Assets	:	Rs. 8,053	7,653
6)	Total Liabilities	:	Rs. 1,694	334
7)	Investments	:	Rs. -	-
8)	Turnover	:	Rs. -	2,150
9)	Profit/ (Loss) Before Tax	:	Rs. (960)	49
10)	Provision for Taxation	:	Rs. Nil	Nil
11)	Profit/ (Loss) After Tax	:	Rs. (960)	49
12)	Proposed Dividend	:	Rs. Nil	Nil
13)	Country	:	India	
14)	% of Shareholding	:	100%	100%

Date: 22<sup>nd</sup> May, 2024  
Place: Valsad

For and on behalf of the Board of Directors

Jaymin B. Desai    Atul Baijal    Rakesh Kumar Kumawat    Setu Rushi Parikh  
 Managing Director    Whole-time Director    Company Secretary    CFO  
 DIN: 00156221    DIN: 09046341

**ANNEXURE -II**

FORM No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

(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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 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, 2024 according to the provisions of:

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;(Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
  - (a) The Air (Prevention & Control of Pollution) Act, 1981
  - (b) Hazardous Waste (Management and Handling) Rules, 1989
  - (c) Plastic Waste Management Rules, 2016

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

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

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



We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

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

**For Parikh & Associates**

Company Secretaries

Place: Mumbai  
Date: May 11, 2024

Mitesh Dhaliwala  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331F000351762  
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: May 11, 2024

Mitesh Dhabliwala  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331F000351762  
PR No.: 1129/2021

**ANNEXURE -III**

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

**A. CONSERVATION OF ENERGY:**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>i. Steps taken / impact on conservation of energy</li> <li>ii. Steps taken by the company for utilizing alternate sources of energy including waste generated:</li> <li>iii. Capital investment on energy conservation equipment:</li> </ul> | <p>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.</p> |
|---|--|

**B. TECHNOLOGY ABSORPTION:**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>i. Efforts, in brief, made towards technology absorption.</li> <li>ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.:</li> </ul> | <p>The Company continues to use latest technologies for improving the productivity and quality of its products.</p> |
|--|---|
- 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

Sr. No	Particulars	2023-24 (Rs. in '000)	2022-23 (Rs. in '000)
a)	Capital Expenditure	55	338
b)	Recurring Expenditure	5,823	5,218
	Total Expenditure	5,878	5,556

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Sr. No.	Particulars	2023-24 (Rs. in '000)	2022-23 (Rs. in '000)
a)	Foreign Exchange Earnings	2,35,205	1,38,872
b)	Foreign Exchange Outgo	2,28,119	2,21,075

For and on behalf of the Board of Directors

Date: 22<sup>nd</sup> May 2024  
Place: Valsad

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

**ANNEXURE -IV  
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: 22<sup>nd</sup> May 2024  
Place: Valsad

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

**ANNEXURE -V**

**PARTICULARS OF EMPLOYEES**

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

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

Sr. No.	Name of Director/KMP	Ratio to Remuneration of Median Remuneration
i.	Jaymin B. Desai	36.87
ii.	Atul Baijal	19.64
iii.	Charulata N. Patel	2.01
iv.	Dhananjay T. Desai	-
v.	Mukul B. Desai	2.11
vi.	Bhupendra M. Desai	2.11

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

Sr. No.	Name of Director/KMP	Percentage Increase in Remuneration
i.	Jaymin B. Desai	3.62
ii.	Atul Baijal	3.86
iii.	Charulata N. Patel	124.06
iv.	Dhananjay T. Desai <sup>(a)</sup>	N.A.
v.	Mukul B. Desai	92.60
vi.	Bhupendra M. Desai	92.60
vii.	Rakesh Kumar Kumawat- CS	15.47
viii.	Vaibhav Kumar Totla-CFO <sup>(b)</sup>	N.A.
ix.	Setu Rushi Parikh <sup>(b)</sup>	N.A.

Note:

- a) 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.
- b) Employed for the part of the year in FY 2023-24, therefore the remuneration can't be compared.

- 3. The percentage increase in the median remuneration of employees in the financial year; 6.55%
- 4. The number of permanent employees on the rolls of company; 132
- 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	5.78%
Average Increase in Managerial Remuneration	3.70%

- 6. Affirmation that the remuneration is as per the remuneration policy of the company:  
The Directors hereby confirm that the Company is paying remuneration to Directors and Employees as per the remuneration policy of the Company.

- B. Particulars of employee’s remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

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

For and on behalf of the Board of Directors

Date: 22<sup>nd</sup> May 2024  
Place: Valsad

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

## Management Discussion and Analysis

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

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

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

Currently we serve following applications: -

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

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

### Key strengths:

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



### **Global economic overview:**

According to the World Economic Outlook by the International Monetary Fund (IMF) published in April, 2024, Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now at 3.1 percent is at its lowest in decades. The pace of convergence toward higher living standards for middle and lower-income countries has slowed, implying a persistence in global economic disparities.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress.

In China, without a comprehensive response to the troubled property sector, growth could falter, hurting trading partners. Amid high government debt in many economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform and spending to reduce risks from climate change. Geoeconomic fragmentation could intensify, with higher barriers to the flow of goods, capital, and people implying a supply-side slowdown.

On the upside, looser fiscal policy than necessary and assumed in projections could raise economic activity in the short term, although risking more costly policy adjustment later on. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to bring easing plans forward. Artificial intelligence and stronger structural reforms than anticipated could spur productivity.

### **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.

Amidst global challenges, the Indian economy has stayed resilient. Buoyed by strong domestic demand and backed by robust macroeconomic fundamentals, India has emerged as the fastest growing major economy of the world in 2023-24. The upturn in the investment cycle, broad-based revival in manufacturing and services sectors, government's capex push, upbeat business and consumer sentiments and strong corporate and bank balance sheets provide impetus to the growth momentum going forward. Volatile food prices, however, interrupt the path of disinflation and cloud the inflation outlook. The continuing effect of monetary policy action and stance is keeping core inflation muted. Spillovers from geopolitical hostilities, volatile global financial markets and climate shocks are the key risks to the growth and inflation outlook.

### **Industry overview:**

#### **Global flexible packaging market**

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 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.

### **Industrial Application of Plastics**

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

### **Sustainable and new flexible plastic packaging solutions**

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

Dynamic industry changes, such as the introduction of new regulatory initiatives, have encouraged manufacturers to develop new packaging options. Growing concerns regarding the use of bio-degradable plastics for flexible packaging and its impact on the environment have also driven manufacturers to develop sustainable packaging options that are safe and secure. In order to reduce the cost pressure and maintain the

integrity of product packages, manufacturers are considering sustainable packaging solutions that require fewer materials and energy to manufacture a package, reduce transportation expenses, and offer extended shelf-life to the product.

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

### **Opportunity:**

- **Significant increase in the food products**

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

- **E-Commerce**

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

- **Importance of Surface Protection Films**

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

- **Glue-less Films**

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

### **Threat:**

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

Recycling of plastic packaging waste is a process that requires state-of-the-art infrastructural facilities. It is a time-consuming process that needs personnel expertise. However, some parts of the world lack these facilities for recycling. Even in developed countries such as the US, the problem of sub-standard infrastructure for recycling

persists. Every year, in the US itself, recyclable containers worth more than USD 11 billion are thrown away due to a lack of recycling facilities. According to the UN Environment Programme, the world produces around 330 million tons of plastic waste each year. To date, only 9% of the plastic waste ever generated has been recycled, and only 14% is collected for recycling now.

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

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

- **Rising input costs**

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

- **Domestic Competition**

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

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

### **Operational Performance Review**

During the year under review (FY 2023-24), the sales value showed an increase of 18% (from 9,601.38 lacs in 2022-23 to Rs 11,344.14 lacs in 2023-24). The PBDIT increased by 60% (from 954.58 lacs in 2022-23 to Rs 1,524.80 lacs in 2023-24) and company net profit almost doubled (from Rs 444.54 lacs to 946.70 lacs).

The total exports sales increased, in terms of value, export sales grew by 73% (from 1,343 lacs in 2022-23 to 2,318 lacs in 2023-24). In terms of volumes, export sales grew by 47% (from 562 MT in 2022-23 to 828 MT in 2023-24).

The increase in sales and profit was a due to various steps taken by the management, namely

- Exiting lamination business which helped the company to use the existing resources more effectively.

- Concentrated efforts on increasing sales of specialty products, adhesive films and surface protection films in the domestic market.
- Focus on increasing our export sales of surface protection films,
- Streamlining supply chain activities resulting in to reduced inventory
- Focus on reducing raw material costs by reviewing technical and concentrated buying efforts

The above two also drastically helped in streamlining our working capital, thereby reducing finance costs

- Focus on developing products for new applications of surface protection films
- Converting increased volumes by outsourcing to overcome capacity constraints

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

**Key Financial Ratios:**

<b>Particulars</b>	<b>31.03.2023</b>	<b>31.03.2024</b>	<b>% Change</b>	<b>Explanation</b>
Debtors Turnover Ratio	6.00	10.03	67	Increased sales and reduction in Debtor's level.
Inventory Turnover Ratio	5.67	6.19	9	Not Applicable.
Interest Coverage Ratio	10.67	45.58	327	Refer point No. (a) stated
Current Ratio	2.98	3.39	14	Not Applicable
Debt Equity Ratio	0.03	0.01	-67	Refer point No. (b) stated below.
Operating Profit Margin Ratio	0.02	0.09	367	Improvement in Business operations.
Net Profit Margin Ratio	0.05	0.08	80	Improvement in Business operations.
Return on Net worth	0.14	0.25	75	Refer point No. (c) stated below

Note:

- a) Negligible interest cost, Company is effectively operating at zero debt.
- b) Repayment of loans and non-utilization of Cash Credit.
- c) Improvement in business operations, ultimately increase in net profits.

### **Segment information:**

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

### **Risks and Concern:**

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

#### **i. Credit risk:**

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

#### **ii. Liquidity risk:**

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

#### **iii. Market risk:**

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company operates internationally and portion of the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are

significantly lower in comparison to its imports. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operation are adversely affected as the rupee appreciates/ depreciates against these currencies.

#### **iv. Commodity Risk:**

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

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

#### **Internal Financial Control Systems:**

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

#### **Human Resources**

It is your Company's belief that people are at the heart of corporate purpose and constitute the primary source of sustainable competitive advantage. Your Company's belief in trust, transparency and team work improved employee productivity at all levels. The Company has 132 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: 22<sup>nd</sup> May, 2024

Place: Valsad

Jaymin B. Desai  
Managing Director  
DIN: 00156221

Atul Baijal  
Whole-time Director  
DIN: 09046341



**CORPORATE GOVERNANCE REPORT**

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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, 2024.

**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, 2024 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 31<sup>st</sup> March, 2024 are given as follows:

During the financial year 2023-24, 6 (Six) Board meetings were held on (1) 25<sup>th</sup> May, 2023 (2) 7<sup>th</sup> June, 2023 (3) 10<sup>th</sup> August, 2023 (4) 3<sup>rd</sup> November, 2023 (5) 7<sup>th</sup> February, 2024 (6) 21<sup>st</sup> March, 2024 and details are given below and the maximum gap between two meetings did not exceed one hundred and twenty days:

Name, Designation & DIN of Directors	Category	No. of Board Meetings Attended	No. of Directors hips held in other Companies (*)	Attendance at last AGM	No. of Committee positions held in other Companies.	
					Chairman of Committee	Member of Committee
Mr. Mukul B. Desai, Chairman (DIN: 00015126)	NED(I)	6	2	Yes	Nil	Nil
Mr. Jaymin B. Desai (DIN: 00156221)	MD(P)	6	3	Yes	Nil	Nil
Mr. Dhananjay T. Desai (DIN: 00049574)	NED(I)	4	8	No	Nil	Nil
Mr. Bhupendra M. Desai (DIN: 02545003)	NED(I)	6	0	Yes	Nil	Nil
Mrs. Charulata N. Patel (DIN: 00233935)	NED(P)	6	2	Yes	Nil	Nil
Mr. Atul Baijal (DIN: 09046341)	WTD	6	1	Yes	Nil	Nil

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

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

As on 31st March 2024, none of the Directors are related inter-se.

As on 31st March 2024, none of the Directors holds any Directorship in any other Listed Company.

**Details of Shares held By Non-Executive Directors as on 31st March 2024**

<b>Name</b>	<b>No. of Shares</b>
Mr. Mukul B. Desai	9,650
Mr. Dhananjay T. Desai	-
Mr. Bhupendra M. Desai	100
Mrs. Charulata N. Patel	429885

**CODE OF CONDUCT:**

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

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

Profile of Members of the Board of Directors being appointed and reappointed:

**Mr. Aditya Patel**

Mr. Aditya Patel, aged approximately 29 years, has completed a BSc in Industrial & Systems Engineering from the Georgia Institute of Technology, Atlanta, USA. He joined Ecoplast Ltd in the Sales & Marketing function in 2019 after working at Larsen & Toubro in the Operational Excellence (OpEx) team, fulfilling a Management Consulting role. He is a young, dynamic, and passionate executive adept at directing marketing strategies, managing customer accounts, and implementing various efficiency improvement and cost reduction programs.

**Mr. Jaymin B. Desai**

Mr. Jaymin B. Desai aged 63 years is a graduate Chemical Engineer from Karnataka University. He joined the company as a works manager in 1985, and soon after was promoted as Director for his commendable efforts and achievements in not only improving productivity, but for his leadership in developing personnel and a dedicated work culture. He was then promoted as Managing Director of the company in October 2007.

### **Mr. Ravi Amulbhai Mehta**

Mr. Ravi Amulbhai Mehta, aged about 43 years, has completed his B.E. from South Gujarat University and PGDBM from Som-Lalit Institute of Management Studies (Deemed). He has around 19 years of rich experience in the field of Sales & Marketing, Pricing Strategies, Metric & Quota Attainment, Operations Management, Corporate Account Development, among other areas. He is associated with Ecoplast Ltd as a sales and marketing consultant since last seven years.

### **Jay Ketan Shroff**

Jay Ketan Shroff, aged 36, holds a Master of Commerce degree from Mumbai University. He is a Chartered Financial Analyst from the CFA Institute, USA, and a Chartered Accountant from the ICAI. He is a dynamic professional with over 15 years of diverse experience spanning Banking, Finance, Taxation, Strategy, and Investments. Mr. Jay Ketan Shroff has worked in various roles in the financial sector and has a strong background in investment banking, mergers & acquisitions, and public market operations. He is currently active in the capital markets and runs his own investment firm.

### **Mr. Bikash Ranjan Tarafdar**

Mr. Bikash Ranjan Tarafdar, aged about 66 years, has completed BSc and LLB from Kolkata University. He is a Fellow member of the Institute of Company Secretaries of India and Associate member of the Institute of Cost Accountants of India, bringing with him over 35 years of rich experience in Banking, Finance, Cost Management, Product pricing strategy and corporate compliance, among other areas. He has worked with numerous CPSU and listed companies throughout his career.

### **Mr. Monil Vijay Shah**

Mr. Monil Vijay Shah, aged about 35 years, has completed M.com from Mumbai University. He is an associate member of The Institute of Chartered Accountants of India, bringing with him over 12 years of rich experience in Finance, Cost Management, Pricing strategy, and compliance consultancy, among other areas.

### **INDUCTION AND FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:**

The Company organizes an induction programme for new Directors and an ongoing familiarization programme for Independent Directors with respect to the business/ working of the Company. On appointment of a director, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties,

roles, rights and responsibilities. The Director is also explained the compliances required to be done by him/ her under various Acts, shown a presentation on organizational set up of the Company, functioning of various divisions/ departments, company's market share, governance and internal control processes.

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

The details of the familiarization program can be accessed from the website [www.ecoplastindia.com/investors/](http://www.ecoplastindia.com/investors/)

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

None of the Independent Directors of the company has 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.

<b>Name</b>	<b>Knowledge</b>	<b>Behavioral Skills</b>	<b>Strategic thinking and decision making</b>	<b>Financial Skills</b>	<b>Technical/ Professional skills</b>
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, 2024, are given below.

**Meetings, Members and Attendance**

During the financial year 2023-24 the Audit Committee held 6 (Six) meetings on (1) 25<sup>th</sup> May 2023 (2) 7<sup>th</sup> June 2023 (3) 10<sup>th</sup> August 2023 (4) 3<sup>rd</sup> November 2023 (5) 7<sup>th</sup> February 2024 (6) 21<sup>st</sup> March, 2024.

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	6	6
Mr. Bhupendra M. Desai	NED(I)	Member	6	6
Mrs. Charulata Patel	NED(P)	Member	6	6

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 2<sup>nd</sup> September, 2023 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 2023-24 the Nomination and Remuneration Committee held 2 (two) meetings on (1) 7<sup>th</sup> June 2023 (2) 3<sup>rd</sup> November, 2023.

As on 31st March, 2024 the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.



**Meetings, Members and Attendance**

The details of Committee Members are as under:

Name of Member	Category	Status	No. of Meeting	
			Held	Attended
Mr. Bhupendra M. Desai	NED(I)	Chairman	2	2
Mr. Mukul B. Desai	NED(I)	Member	2	2
Mrs. Charulata Patel	NED(P)	Member	2	2

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

**Terms of reference:**

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

- i. Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- v. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

**Performance Evaluation**

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

**Policy for Remuneration to Director/ Key Managerial Personnel**

The Remuneration Policy for directors and senior management are placed on the website of the Company at [www.ecoplastindia.com/investors/](http://www.ecoplastindia.com/investors/)

**Details of Remuneration paid to the Directors for the FY 2023-24:**

**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	11,152	5,941
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	-	-
	<b>Total</b>	<b>11,152</b>	<b>5,941</b>

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

**II. Remuneration to other directors:**

(Rs. in '000)

Particulars of Remuneration	Name of Directors		
	Mukul Desai	Bhupendra Desai	Charulata Patel
• Fee for attending board committee meetings	230	230	200
• Commission	409	409	409
• Others	-	-	-
<b>Total</b>	<b>639</b>	<b>639</b>	<b>609</b>

**Details of Senior Management and changes during the year:**

The Details of Senior Management as under

<b>Name</b>	<b>Designation</b>	<b>Details of any change from previous year</b>
Mr. Setu Rushi Parikh	Chief Financial Office	Appointed w.e.f. 4 <sup>th</sup> November, 2023.
Mr. Vaibhav Kumar Totla	Chief Financial Office	Resigned w.e.f. 3 <sup>rd</sup> November, 2023.
Mr. Rakesh Kumawat	Company Secretary and Compliance Officer	No change.
Mr. Vikas Vashi	GM Operations	No change.

**C. STAKEHOLDER RELATIONSHIP COMMITTEE:**

**Meetings, Members and Attendance**

During the Financial Year 2023-24 the Committee held 1 (one) meeting on 25<sup>th</sup> May, 2023.

The details of attendance of Members are as under:

<b>Name of Member</b>	<b>Category</b>	<b>Status</b>	<b>No. of Meeting</b>	
			<b>Held</b>	<b>Attended</b>
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.

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary as the Compliance Officer of the Company.

**Complaints received and redressed by the Company during the financial year 2023-24:**

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 7<sup>th</sup> February, 2024 without the attendance of Non-Independent Directors and Members of the Management.

**E. GENERAL BODY MEETINGS:**

(i) 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
2022-23	'Shantivan Resort' Atul-Valsad Road Vashiyar, Valsad-396001, Gujarat	2 <sup>nd</sup> September, 2023 at 12.00 noon	None
2021-22	'Shantivan Resort' Atul-Valsad Road Vashiyar, Valsad-396001, Gujarat	24 <sup>th</sup> September 2022 at 12.00 noon	1. Revision in remuneration payment to Mr. Atul Bajjal, Whole-time Director of the Company.
2020-21	Through Audio Visual Means	28 <sup>th</sup> August 2021 at 11.00 A.M.	1. Re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the Company and payment of remuneration to him. 2. Appointment of Mr. Atul Bajjal (DIN: 09046341) as Whole-time Director of the Company and payment of remuneration to him. 3. Change in place of keeping Registers and Records.

(ii) Details of Extra-Ordinary General Meeting: No Extra-Ordinary General Meeting of the shareholders was held during the year.

(iii) Details of special resolutions passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated November 3, 2023 for Re-appointment of Mr. Atul Baijal (DIN: 09046341) as Whole-time Director of the company and payment of remuneration to him, which was duly passed and the results of which were announced on January 9, 2024. Mr. P. N. Parikh (Membership No FCS: 327, CP: 1228) and failing him Mr. Mitesh Dhabliwala (Membership No FCS : 8331, CP : 9511) and failing him Ms. Sarvari Shah (Membership No FCS: 9697, CP : 11717) of Parikh & Associates, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

Special Resolution No. 1:

Re-appointment of Mr. Atul Baijal (DIN: 09046341) as Whole-time Director of the company and payment of remuneration to him:

Votes in favour of the resolution			Votes against the resolution			Invalid votes	
Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
51	16,83,243	100	3	10	0.00	-	-

**Procedure for postal ballot:**

The postal ballot was carried out as per the provisions of Section 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) and any other applicable provisions of the Act and the rules made thereunder, read with the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 read with other relevant circulars including General Circular 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, Regulation 44 of the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India.

(iv) At present no special resolution is proposed to be conducted through postal ballot. The procedure laid down in Companies (Management and Administration) Rules, 2014 would be followed as and when necessary.

**F. MEANS OF COMMUNICATION:**

**i. WEBSITE:** The Company’s website [www.ecoplastindia.com](http://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)	Friday, August 16, 2024 at 3.30 P.M. at ‘Shantivan Resort’, Atul-Valsad Road, Vashiyar, Valsad-396001 Gujarat.
Financial Year	1 <sup>st</sup> April,2023 to 31 <sup>st</sup> March, 2024

Date of Book Closure	Friday, August 9, 2024 to Friday, August 16, 2024 (both days inclusive)
Dividend Payment Date	On or after September 5, 2024
Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 526703)
International Securities Identification Number	INE423D01010
CIN	L25200GJ1981PLC004375

**LISTING FEE:**

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

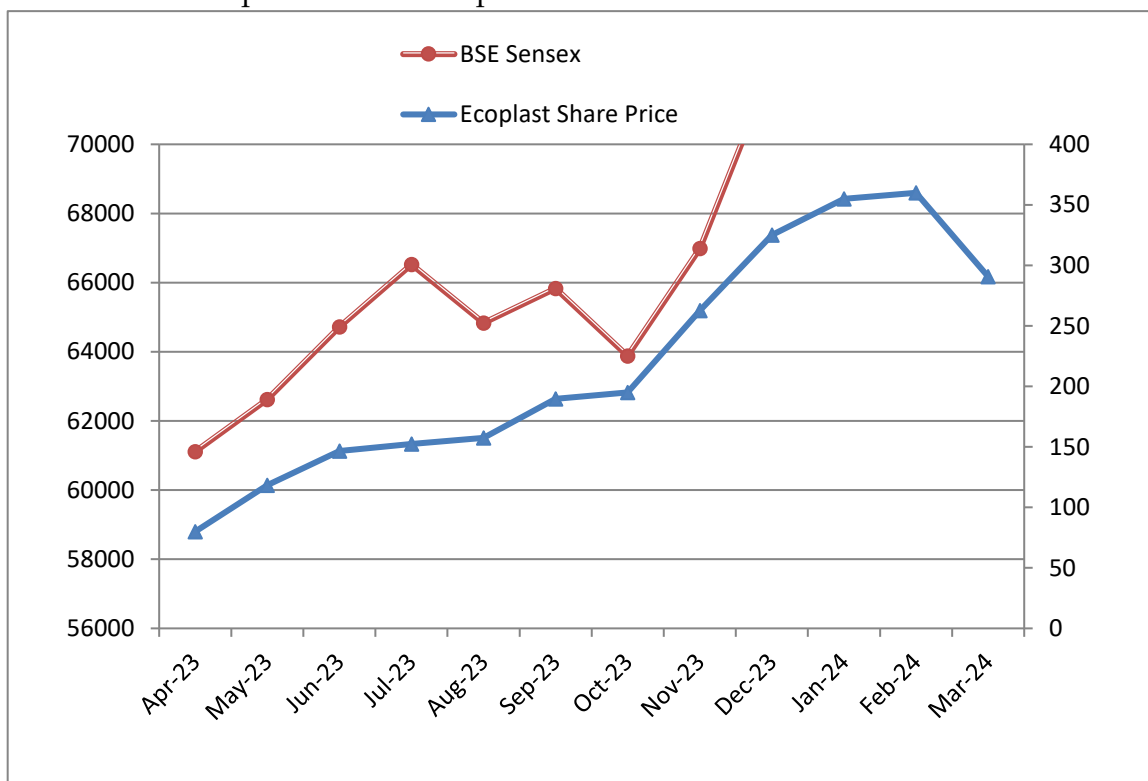
**STOCK MARKET DATA:**

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

Month	Share Price of the Company on BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
Apr-23	84.99	76.00	61209.46	58793.08
May-23	125.95	77.30	63036.12	61002.17
Jun-23	160.00	110.00	64768.58	62359.14
Jul-23	165.95	129.00	67619.17	64836.16
Aug-23	157.45	141.85	66658.12	64723.63
Sep-23	194.95	157.60	67927.23	64818.37
Oct-23	203.70	172.40	66592.16	63092.98
Nov-23	287.55	188.00	67069.89	63550.46
Dec-23	341.85	259.00	72484.34	67149.07
Jan-24	378.30	312.00	73427.59	70001.60
Feb-24	399.90	333.00	73413.93	70809.84
Mar-24	381.00	279.20	74245.17	71674.42

**STOCK PERFORMANCE:**

The market share price data in comparison to BSE Sensex



**REGISTRARS AND SHARE TRANSFER AGENT FOR SHARES:**

M/s Link Intime India Private Limited (erstwhile known as TSR Consultants Private Limited which has been merged with M/s Link Intime India Private Limited with effect from December 22, 2023), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 4000 083, Tel: 022 66568484, email id: csg-unit@tcplindia.co.in is acting as Registrar and Transfer Agents (RTA) for handling the shares related matters both in Physical and Dematerialized mode.

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

**SHARE TRANSFER SYSTEM:**

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



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

**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).

**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2024:**

Range start	Range end	Total shares	Percentage to capital	Total number of shareholders	% of total security holders
1	500	245749	8.19	2539	91.39
501	1000	71439	2.38	90	3.24
1001	2000	108799	3.63	68	2.45
2001	3000	59085	1.97	23	0.83
3001	4000	28936	0.96	8	0.29
4001	5000	40657	1.36	9	0.32
5001	10000	83650	2.79	13	0.47
10001	above	2361685	78.72	28	1.01
	<b>Total</b>	<b>3000000</b>	<b>100.00</b>	<b>2778</b>	<b>100.00</b>

**CATEGORY OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2024:**

Sr No	Particulars	No. of Accounts	Holding	% to capital
1	Companies Promoter /Promoter Group	2	513267	17.11
2	Individual Promoters/ Promoter Group	20	1539200	51.30
3	Foreign Promoter	1	8640	0.29
3	Bodies Corporate including LLP	33	26650	0.89
4	NRI	31	29907	1.00
5	IEPF	1	63897	2.13
6	Clearing Members	1	101	0.00
7	Resident Individuals/ HUF	2689	818338	27.28
	<b>Total</b>	<b>2778</b>	<b>3000000</b>	<b>100.00</b>

**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 31<sup>st</sup> March, 2024:

Mode	No. of Shares	% of Share Capital
Electronic form with CDSL	9,38,412	31.28
Electronic form with NSDL	20,05,098	66.84
Physical	56,490	1.88
<b>Total</b>	<b>30,00,000</b>	<b>100.00</b>

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 31<sup>st</sup> March, 2024, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

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

**ADDRESS FOR CORRESPONDENCE**

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

**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.

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

The Company has not obtained any credit rating on Debt Instruments or Fixed Deposit Programme in FY 2023-24 Since it does not have any Debt Instruments or Fixed Deposit Programme. CRISIL Credit Rating was reviewed for long term “CRISIL BBB-/Stable (Outlook revised from ‘Negative’, rating reaffirmed)” and short term “CRISIL A3” of Bank loan facilities.

**Preferential Allotment or Qualified Institutions placement:**

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2023-24.

### H. 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 financial year 2021-22 the Company has paid fine to BSE limited of (1) Rs. 5,900/- for delay submission of compliance of Regulation 23(9) of SEBI listing regulations for the half year ended 31st March 2021 (2) Rs. 5,42,800/- for Non-compliance of Regulation 17(1) of SEBI listing regulations for the quarter December 2020 and March 2021.

ii. **Compliance with Indian Accounting Standards:**

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

iii. **CEO and CFO Certification:**

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

iv. **Internal Control System and their adequacy:**

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

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

v. Related Party Transactions:

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

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

ix. Commodity Price Risks and Commodity hedging activities:

During the year 2023-24 the company closely monitored movement of commodity prices. Further the company has not undertaken any hedging activities on commodity and its open exposer stands NIL for the year. Disclosure on risk forms part of Management Discussion and Analysis Report.

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

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

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

(Rs. in '000)

<b>Particulars</b>	<b>Payment to Company's Statutory Auditors</b>	<b>Payment to Subsidiary Company's Statutory Auditors</b>
Audit Fees	450	20
Tax Audit Fees	80	-
Certification and Other Services	146	35
Reimbursement of expenses	121	-
<b>Total</b>	<b>797</b>	<b>55</b>

xiii. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

Details of Complaints under the act during the financial year 2023-24.

- 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 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, 2024 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.

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

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

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

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

- **Shareholders Rights:**

Extract of the Quarterly, Half Yearly and Annual Financial Results of the Company are published in the Newspaper and are also posted on Company's website [www.ecoplastindia.com](http://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, 2024 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: 22<sup>nd</sup> May 2024

Place: Valsad

Jaymin B. Desai

Managing Director

DIN: 00156221

Atul Baijal

Whole-time Director

DIN: 09046341

**COMPLIANCE WITH CODE OF CONDUCT**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2024.

**For Ecoplast Limited**

Date: 22<sup>nd</sup> May 2024  
Place: Valsad

Jaymin B. Desai  
Managing Director  
DIN: 00156221



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 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.

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

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

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

**For Parikh & Associates**  
Practising Company Secretaries

Mumbai  
Date: May 11, 2024

**Mitesh Dhaliwala**  
**FCS: 8331 CP: 9511**  
UDIN: F008331F000351905  
PR No.: 1129/2021

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

To,  
The Board of Directors  
Ecoplast Limited

We have reviewed the financial statements and the cash flow statement of Ecoplast Limited for the year ended 31<sup>st</sup> March, 2024 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.

Place: Valsad  
Date: 22<sup>nd</sup> May 2024

**Jaymin B. Desai**  
Managing Director  
DIN: 00156221

**Setu Rushi Parikh**  
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, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, subject to the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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

**For Parikh & Associates**  
Practising Company Secretaries

**MITESH DHABLIWALA**  
FCS: 8331 CP: 9511  
UDIN:F008331F000420072  
PR No.: 1129/2021

Mumbai  
Date: May 22, 2024

**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, 2024, 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, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Key Audit Matters**

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

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

### **Management's Responsibility for the Standalone Financial Statements**

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

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

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

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

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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



- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 declared dividend and paid during the year under consideration is in compliance with section 123 of the Companies Act, 2013.
  - vi. Based on our examination, which includes test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording

audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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 :- 22<sup>nd</sup> May, 2024**

**Place :- Surat**

**Mayank Y. Desai**

**Partner**

**Membership No. :- 108310**

**UDIN :-24108310BKALNC5734**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the internal financial controls with reference to standalone Financial Statements of ECOPLAST LIMITED (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for the Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Financial Statements and such internal financial controls with reference to standalone Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

**Date:- 22<sup>nd</sup> May, 2024  
Place :- Surat**

**Mayank Y. Desai  
Partner  
Membership No. :- 108310  
UDIN :- 24108310BKALNC5734**

## 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, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
  - (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets, and the quarterly returns or statements filed by the company with such bank is in agreement with the books of account of the Company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:



## Ecoplast Ltd

- (a) The Company has provided the aggregate amount of Rs. 15,00,000/- during the year in the nature of loans or advances and balance outstanding with interest due of Rs. 16,11,375/- at the balance sheet date with respect to such loans or advances to its subsidiary namely Synergy Films Private Limited.
- (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) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the 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 except stated above.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The company has maintained cost records in accordance of application under sub-section (1) of section 148 of the Companies Act, 2013 as company required to maintain as status under Non-regulated sector engaged in Production of plastics films.
- 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, 2024 for a period of more than six months from the date they became payable.

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- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of dispute is given below:

Nature of Statute	Nature of Dues	Forum where the dispute is pending	Period to which amount relates	Amount in Rs.	Remarks
The Income Tax Act, 1961	Income Tax	CIT Appeal	A.Y.2018-19	17,54,667	Adjusted Against the Refund of Next Assessment Years

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Term loans were applied for the purpose for which the loans were obtained.
- d. On an overall examination of the financial statements of the Company has not raised funds on short-term basis, hence reporting under clause 3(ix)(d) of the Order is not applicable.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(X)(b) of the Order is not applicable.
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

## Ecoplast Ltd

- 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 remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. The Consolidated Financial Statement include Subsidiary Namely Synergy Films Private Limited and its CARO Paragraph no. is xvii. which states Company has incurred cash loss of INR 959,856/- during the current Financial Year.

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

**Date :** 22<sup>nd</sup> May, 2024  
**Place:** Surat

**Mayank Y. Desai**  
**Partner**  
**Membership No. : 108310**  
**UDIN- 24108310BKALNC5734**

**Ecoplast Limited**  
**Balance Sheet as at 31st March, 2024**

CIN : L25200GJ1981PLC004375

Amount (Rs.'000)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2.1	1,51,763	1,46,269
	(b) Capital work-in-progress	2.2	4,828	773
	(c) Right of use Asset	2.3	7,839	1,740
	(d) Financial Assets			
	(i) Investment in Subsidiary	3.1	9,300	7,319
	(ii) Loans	3.2	686	475
	(iii) Other financial assets	3.3	1,500	1,500
	(e) Income Tax Assets (Net)	4	3,272	8,568
	(f) Other Non-current Assets	5	16,486	2,298
	<b>Total Non-current assets</b>		<b>1,95,674</b>	<b>1,68,942</b>
<b>(2)</b>	<b>Current assets</b>			
	(a) Inventories	6	1,24,543	1,04,450
	(b) Financial Assets			
	(i) Trade Receivables	7.1	1,06,508	1,19,609
	(ii) Cash and cash equivalents	7.2	19,067	23,568
	(iii) Bank balances other than (ii) above	7.3	80,552	2,691
	(iv) Loans	7.4	2,214	685
	(v) Other financial assets	7.5	5,908	2,514
	(c) Other current assets	8	14,731	15,426
	(d) Assets Classified as held for sale	9	-	1,678
	<b>Total current assets</b>		<b>3,53,523</b>	<b>2,70,622</b>
	<b>TOTAL ASSETS</b>		<b>5,49,197</b>	<b>4,39,564</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	10	30,000	30,000
	(b) Other Equity	11	3,92,524	3,03,052
	<b>Total equity</b>		<b>4,22,524</b>	<b>3,33,052</b>
	<b>Liabilities</b>			
<b>(1)</b>	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12.1	1,697	3,045
	(ii) Lease Liabilities	12.2	5,242	676
	(b) Provisions	13	11,004	9,677
	(c) Deferred tax liabilities (Net)	14	4,398	2,226
	<b>Total non current liabilities</b>		<b>22,341</b>	<b>15,624</b>
<b>(2)</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15.1	1,154	7,484
	(ii) Lease Liabilities	15.4	2,928	1,135
	(iii) Trade payables			
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	15.2	15,555	11,910
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	15.2	70,193	51,674
	(iv) Other financial liabilities	15.3	2,270	2,228
	(b) Other current liabilities	16	8,416	13,144
	(c) Provisions	17	3,816	3,313
	<b>Total current liabilities</b>		<b>1,04,332</b>	<b>90,888</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,49,197</b>	<b>4,39,564</b>

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

As per our Report of even date.

**For Y.B.Desai & Associates**

Chartered Accountants

Firm ICAI Registration No. 102368W

**MAYANK Y. DESAI**

Partner

Membership No : 108310

UDIN :-24108310BKALNC5734

Place: Surat

Date : 22nd May 2024

**For and on behalf of the Board of Directors**

**JAYMIN B. DESAI**

Managing Director

**DIN 00156221**

**SETU PARIKH**

Chief Finance Officer

Place: Valsad

Date : 22nd May 2024

**ATUL BAIJAL**

Whole Time Director

**DIN 09046341**

**RAKESH KUMAR KUMAWAT**

Company Secretary

**Ecoplast Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2024**

CIN : L25200GJ1981PLC004375

Amount (Rs.'000)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I	Revenue from Operations	18	11,34,414	9,60,138
II	Other Income	19	21,831	38,998
III	<b>TOTAL INCOME (I+II)</b>		<b>11,56,245</b>	<b>9,99,136</b>
IV	<b>Expenses</b>			
	Cost of materials consumed	20	7,20,443	6,60,514
	Purchase of Stock in-trade		5,234	12,797
	Changes in inventories of finished goods, stock in trade and work-in-progress	21	(12,200)	2,638
	Employee benefits expense	22	1,11,121	92,732
	Finance costs	23	3,345	8,950
	Depreciation and amortization expense	2	24,824	24,530
	Other expenses	24	1,79,167	1,34,997
	<b>TOTAL EXPENSES (IV)</b>		<b>10,31,934</b>	<b>9,37,158</b>
V	<b>Profit before tax (III-IV)</b>		<b>1,24,311</b>	<b>61,978</b>
VI	Tax expense:			
	(1) Current tax		28,252	8,472
	(2) Deferred tax		2,020	9,741
	(3) Tax in respect of Earlier Years		(631)	(689)
			<b>29,641</b>	<b>17,524</b>
VII	<b>Profit for the year (V-VI)</b>		<b>94,670</b>	<b>44,454</b>
VIII	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(546)	1,280
	- Tax on other comprehensive income		(152)	355
IX	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>93,972</b>	<b>46,089</b>
X	Earnings per equity share [Nominal value per share Rs.10]			
	Basic and Diluted	25	31.56	14.82

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

As per our Report of even date.

**For Y.B.Desai & Associates**

Chartered Accountants

Firm ICAI Registration No. 102368W

**MAYANK Y. DESAI**

Partner

Membership No : 108310

UDIN :-24108310BKALNC5734

Place: Surat

Date : 22nd May 2024

For and on behalf of the Board of Directors

**JAYMIN B. DESAI**

Managing Director

DIN 00156221

**SETU PARIKH**

Chief Finance Officer

Place: Valsad

Date : 22nd May 2024

**ATUL BAIJAL**

Whole Time Director

DIN 09046341

**RAKESH KUMAR KUMAWAT**

Company Secretary

**Ecoplast Limited**  
**Cash Flow Statement for the year ended 31st March, 2024**

CIN - L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount (Rs.'000)		Amount (Rs.'000)	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before Tax as per Statement of Profit and Loss		1,24,311		61,978
<b>Adjustments for:</b>				
Depreciation and amortization and impairment	24,824		24,530	
(Profit) / loss on sale / write off of assets (net)	(740)		(21,884)	
Finance costs	3,345		8,950	
Interest income	(3,810)		(373)	
Other Comprehensive Income	(546)		1,280	
Liabilities / provisions no longer required written back	-		-	
Reversal of diminution in value of investments in Subsidiary Company	(1,981)		-	
Interest paid on leased assets	722		353	
Principal payment on leased assets	2,613		2,510	
Unrealised foreign exchange (gain) / loss (net)	18		59	
Provision for doubtful trade and other receivables, loans and advances	-		47	
		24,445		15,472
<b>Operating profit before working capital changes</b>		1,48,756		77,450
<b>Changes in working capital:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
Inventories	(20,093)		24,814	
Trade receivables	13,101		80,968	
Short-term loans	(29)		69	
Non Current Financial Assets	(211)		408	
Other Current financial assets	(3,412)		(1,033)	
Other Non current assets	(8,262)		8,465	
Other Current assets	695		(2,722)	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Trade Payables	22,165		(11,571)	
Other Current liabilities	(4,728)		(1,781)	
Other Financial and lease liability	6,401		(2,513)	
Short-term provisions	503		(17,196)	
Long-term provisions	1,328		1,174	
		7,458		79,082
		1,56,214		1,56,532
<b>Cash generated from operations</b>		1,56,214		1,56,532
Net income tax (paid) / refunds		(28,252)		(8,472)
		1,27,962		1,48,060
<b>Net cash flow from operating activities (A)</b>		1,27,962		1,48,060
<b>B. Cash flow from investing activities</b>				
Payment for property, plant and equipment , including capital advances	(39,587)		(22,903)	
Proceeds from sale of fixed assets	1,533		27,861	
Loans given to Subsidiary	(1,500)		-	
Interest received				
- Subsidiary Company	124		-	
- Others	3,686		373	
		(35,744)		5,331
<b>Net cash flow (used in) / from investing activities (B)</b>		(35,744)		5,331
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(1,348)		(23,353)	
Net increase / (decrease) in Short term borrowings	(6,330)		(1,01,923)	
Finance cost	(3,345)		(8,950)	
Interest paid on leased assets	(722)		(353)	
Principal payment on leased assets	(2,613)		(2,510)	
Dividends paid	(4,500)		-	
		(18,858)		(1,37,089)
<b>Net cash flow used in financing activities (C)</b>		(18,858)		(1,37,089)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		73,360		16,301
<b>Cash and cash equivalents at the beginning of the year comprises :</b>				
Balances with banks in current accounts, earmarked balances and deposit accounts		26,073		9,641
Cash on hand		186		317
<b>Cash and cash equivalents at the end of the year</b>		99,619		26,259
<b>Cash and cash equivalents at the end of the year comprises :</b>				
(i) Cash on hand		177		186
(ii) Balances with banks in current accounts and deposit accounts		18,890		23,382
(iii) Balances with banks in earmarked balances and deposit accounts		80,552		2,691
<b>CASH AND CASH EQUIVALENTS</b>		99,619		26,259

**Ecoplast Limited**  
**Cash Flow Statement for the year ended 31st March, 2024**

CIN - L25200GJ1981PLC004375

**Notes:**

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

Amount (Rs.'000)

Particulars	As at	Cash Flows		Non - Cash Changes		As at
	31st March, 2023	Proceeds	Repayments	Fair Value Changes	Current / Non Current Classification	31st March, 2024
Long Term Borrowings (Current and Non Current)	10,528	2,200	9,878	-	-	2,850
Short Term Borrowings	-	-	-	-	-	-

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

As per our Report of even date.

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

**For and on behalf of the Board of Directors**

**MAYANK Y. DESAI**  
Partner  
Membership No : 108310  
UDIN :-24108310BKALNC5734

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

**ATUL BAIJAL**  
Whole Time Director  
DIN 09046341

**SETU PARIKH**  
Chief Finance Officer

**RAKESH KUMAR KUMAWAT**  
Company Secretary

Place: Surat  
Date : 22nd May 2024

Place: Valsad  
Date : 22nd May 2024

**Ecoplast Limited**  
**Statement of changes in equity for the year ended 31st March, 2024**

**a. Equity Share Capital:**

Particulars	Amount (Rs.'000)
	Amount
Balance as at the 1 April 2023	30,000
Changes in equity share capital during the year	-
Balance as at the 31 March 2024	30,000

**b. Other Equity:**

Particulars	Reserves and Surplus			Other Comprehensive Income (OCI)	Total Equity
	General Reserve	Securities Premium	Retained Earnings		
As at 1st April, 2022	50,781	30,000	1,84,931	(8,749)	2,56,963
Profit for the year	-	-	44,454	-	44,454
Dividend paid	-	-	-	-	-
<b>Other comprehensive income for the year</b>					
Remeasurement of the Net Defined benefit liability/Asset, net of tax effect	-	-	-	1,635	1,635
<b>As at 31st March, 2023</b>	<b>50,781</b>	<b>30,000</b>	<b>2,29,385</b>	<b>(7,114)</b>	<b>3,03,052</b>
Profit for the year	-	-	94,670	-	94,670
Dividend paid	-	-	(4,500)	-	(4,500)
<b>Other comprehensive income for the year</b>					
Remeasurement of the Net Defined benefit Liability/asset, net of tax effect	-	-	-	(698)	(698)
<b>As at 31st March, 2024</b>	<b>50,781</b>	<b>30,000</b>	<b>3,19,555</b>	<b>(7,812)</b>	<b>3,92,524</b>

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

As per our Report of even date.

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

For and on behalf of the Board of Directors

MAYANK Y. DESAI  
 Partner  
 Membership No : 108310  
 UDIN :-24108310BKALNC5734

JAYMIN B. DESAI  
 Managing Director  
 DIN 00156221

ATUL BAIJAL  
 Whole Time Director  
 DIN 09046341

SETU PARIKH  
 Chief Finance Officer

RAKESH KUMAR KUMAWAT  
 Company Secretary

Place: Surat  
 Date : 22nd May 2024

Place: Valsad  
 Date : 22nd May 2024



**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 the Rupee in thousands, except where otherwise indicated.

**1.1. Use of Judgment and Estimates:**

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

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

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

**1.2. Property, Plant and Equipment**

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

**Ecoplast Limited****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.

**Ecoplast Limited****1.8. Leases****1.8.1. Finance Leases**

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

**1.8.2. Operating Leases**

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

**1.8.3. Determining whether an arrangement contains a lease**

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

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

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

**1.9. Impairment of Non-financial Assets**

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

1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**1.10. Inventories**

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

The mode of valuing closing stock is as under:

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

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

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

1.10.4. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

**Ecoplast Limited****1.11. Revenue Recognition**

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

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

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

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

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

**1.12. Classification of Income/ Expenses**

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

**1.13. Employee benefits****1.13.1. Short term employment benefits**

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

**1.13.2. Defined Contribution Plans****→ Superannuation :**

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

**→ Employee's Family Pension :**

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

**→ Provident Fund:**

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

**Ecoplast Limited**

**1.13.3. Defined Benefit Plans**

→ **Gratuity :**

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

→ **Compensated Absences :**

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

**1.13.4. Termination Benefits:**

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

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

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

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

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

**1.14. Foreign Currency Transactions**

**1.14.1. Monetary Items**

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

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

**1.14.2. Non – Monetary items:**

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

**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.

**Ecoplast Limited****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.

**Ecoplast Limited****1.19. Financial Assets****1.19.1. Initial recognition and measurement**

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

**1.19.2. Subsequent measurement**

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

**Debt instruments at amortised cost**

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

The asset is held within a business model whose objective is

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

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

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

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

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

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

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

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

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

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

**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.

**Ecoplast Limited****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.



**Ecoplast Limited****1.21. Financial guarantees**

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

**1.22. Embedded derivatives**

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

**1.23. Offsetting of financial instruments**

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

**1.24. Taxes on Income****1.24.1. Current Tax**

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

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

**1.24.2. Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

## Ecoplast Limited

### 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 Financial Statements for the year ended 31st March, 2024**

**2.1 Property, Plant and Equipment & Intangible Assets**

Particulars	Amount (Rs.'000)						
	Freehold land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
<b>Gross Carrying value as on March 31, 2022</b>	5,096	45,526	2,08,095	2,415	6,688	8,873	2,76,692
Additions	-	3,718	17,467	153	79	97	21,513
Deletions	-	4,145	3,801	-	2,535	109	10,590
<b>Gross Carrying value as on March 31, 2023</b>	5,096	45,099	2,21,761	2,568	4,231	8,860	2,87,615
Additions	-	3,119	20,412	81	2,514	2,113	28,240
Deletions	-	-	4,085	-	53	2	4,140
<b>Gross Carrying value as on March 31, 2024</b>	5,096	48,218	2,38,089	2,649	6,693	10,971	3,11,715
<b>Accumulated depreciation as on March 31, 2022</b>	-	10,539	1,02,756	1,090	2,086	5,740	1,22,212
Depreciation charge for the year	-	1,987	18,205	243	597	1,037	22,069
Depreciation on deletion	-	594	-	-	2,315	26	2,935
<b>Accumulated depreciation as on March 31, 2023</b>	-	11,932	1,20,961	1,333	3,691	6,751	1,41,346
Depreciation charge for the year	-	2,384	17,466	202	881	1,021	21,953
Depreciation on deletion	-	-	3,299	-	48	-	3,347
<b>Accumulated depreciation as on March 31, 2024</b>	-	14,316	1,35,129	1,535	4,579	7,771	1,59,952
<b>Carrying value</b>							
<b>Net Carrying value</b>							
At 31st March, 2022	5,096	34,987	1,05,339	1,325	4,601	3,133	1,54,480
At 31st March, 2023	5,096	33,167	1,00,800	1,235	3,863	2,109	1,46,269
<b>At 31st March, 2024</b>	5,096	33,902	1,02,960	1,114	5,491	3,200	1,51,763

(i) Gross Block include Rs.24.46 lacs on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.

(ii) Assets were mortgaged / hypothecated as security for borrowing from bank.

(iii) Impairment loss has been recognized in statement of profit and loss under impairment on PPE.

(iv) In previous year, the Company has classified some non-current asset comprising of Net block value of plant and machinery as held for sale. The Company has measured these assets at Carrying amount only.

(v) ( Value of Asset Held for Sale shown separately in Note. No.9)

**2.2 Capital work-in-progress**

	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Carrying amount</b>	4,828	773
Capital work-in-progress		

**Ageing of Capital work-in-progress**

	Amount (Rs.'000)			
	As at 31st March, 2024	1-2 Year	2-3 Year	Total
Projects in progress	4,220	608	-	4,828
<b>As at 31st March, 2023</b>	773	-	-	773

There are no overdue projects as at 31st March, 2024 and as at 31st March, 2023.

2.3 Right of use Asset

Particulars	Amount (Rs.'000)
	<b>Buildings</b>
<b>Gross Carrying value as on March 31, 2022</b>	<b>7,507</b>
Additions	808
Deletions	556
<b>Gross Carrying value as on March 31, 2023</b>	<b>7,759</b>
Additions	8,970
Deletions	6,951
<b>Gross Carrying value as on March 31, 2024</b>	<b>9,779</b>
<b>Accumulated depreciation as on March 31, 2022</b>	<b>4,085</b>
Depreciation charge for the year	2,461
Depreciation on deletion	527
<b>Accumulated depreciation as on March 31, 2023</b>	<b>6,019</b>
Depreciation charge for the year	2,871
Depreciation on deletion	6,951
<b>Accumulated depreciation as on March 31, 2024</b>	<b>1,940</b>
<b>Net Carrying value</b>	
At 31st March, 2022	3,421
At 31st March, 2023	1,740
At 31st March, 2024	7,839

**Ecoplast Limited**  
**Notes to Financial Statements for the year ended 31st March, 2024**

**3 FINANCIAL ASSETS : NON CURRENT**

**3.1 INVESTMENTS IN SUBSIDIARY**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Investment in Equity Shares of a Subsidiary Company (unquoted)</b>		
Total Value of Investments	11,954	11,954
Less: Impairment of Investments	2,654	4,635
<b>Total</b>	<b>9,300</b>	<b>7,319</b>

In view of, non viability of manufacturing activities, subsidiary Company had discontinued its activities w.e.f. 7th December 2019 and surrendered land and building along with various Licences for the said activities to Assam Industrial Infrastructure Development Corporation (AIIDC) pending the decision for future course of action. Considering above facts, Company had impaired Investments in subsidiary in past years to tune of Rs. 4,635 thousands.

Pursuant to auction bidding by AIIDC of Leasehold Land and Factory building and other Fixed Assets subsidiary has realised a compensation of INR 11,036 thousands on 10th April 2024 Accordingly, value of investment has been restated, by reversing the impairment to the extent of its realisable value as on date.

**3.2 LOANS - NON CURRENT**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Loans to employees - Considered Good-Unsecured	686	475
<b>Total</b>	<b>686</b>	<b>475</b>

**3.3 OTHER FINANCIAL ASSETS - NON CURRENT**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Security deposits	1,500	1,500
<b>Total</b>	<b>1,500</b>	<b>1,500</b>

**4 INCOME TAX ASSETS ( NET)**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Advance income tax net of provisions	3,272	8,568
<b>Total</b>	<b>3,272</b>	<b>8,568</b>

**5 OTHER NON CURRENT ASSETS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Prepaid Expenses	600	646
Capital Advances	15,818	1,584
CST & VAT receivable on Assessment	68	68
<b>Total</b>	<b>16,486</b>	<b>2,298</b>

**6 INVENTORIES**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Raw materials	64,499	45,302
Raw-Materials in-transit	7,987	20,526
Work-in-progress	21,507	15,783
Finished goods	6,800	4,563
Finished Goods in-transit	18,122	13,883
Packing Material , Stores and Spares	5,611	4,302
Others - Scrap	17	91
<b>Total</b>	<b>1,24,543</b>	<b>1,04,450</b>

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

## Ecoplast Limited Notes to Financial Statements for the year ended 31st March, 2024

### 7 FINANCIAL ASSETS : CURRENT

#### 7.1 TRADE RECEIVABLES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
(i) Trade Receivables Considered Good-Unsecured	1,06,508	1,19,603
(ii) Trade Receivables which have a significant increase in Credit Risk	-	6
(iii) Trade receivable - Credit Impaired	418	14,346
Less: Allowance for Credit loss	418	14,346
<b>Total</b>	<b>1,06,508</b>	<b>1,19,609</b>

Includes Trade receivable from Related Parties : Rs. 560 thousands (Previous Year Rs.1,748 thousands) Refer Note No. 30

(Rs.'000)

Particulars	As at 31st March, 2024						Total
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	
Undisputed Trade receivables – considered good	1,00,230	6,278	-	-	-	-	1,06,508
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
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	-	-	-	-	-	418	418

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

#### 7.2 CASH AND CASH EQUIVALENTS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
(i) Balances with banks		
In current accounts	10,760	23,382
In fixed deposits	8,130	-
(ii) Cash in hand	177	186
<b>Total</b>	<b>19,067</b>	<b>23,568</b>

#### 7.3 BANK BALANCES OTHER THAN (ii) ABOVE

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
In Fixed Deposit Accounts, held as margin money against Letter of Credit & Bank Guarantee	80,086	2,116
Unpaid dividend accounts	466	576
<b>Total</b>	<b>80,552</b>	<b>2,691</b>

#### 7.4 LOANS - CURRENT

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Loan and Interest due thereon from Subsidiary Company	1,611	-
Loans and Advances to employees - considered good - unsecured	603	685
<b>Total</b>	<b>2,214</b>	<b>685</b>

**Ecoplast Limited**  
**Notes to Financial Statements for the year ended 31st March, 2024**

**7.5 OTHER FINANCIAL ASSETS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on Fixed Deposits with Banks & Other Deposits	1,823	52
Discount Receivable	4,085	2,462
<b>Total</b>	<b>5,908</b>	<b>2,514</b>

**8 OTHER CURRENT ASSETS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Balance with Government Authorities - tax credits	4,150	2,122
Prepaid expenses	6,456	6,861
Other current assets	4,125	6,443
<b>Total</b>	<b>14,731</b>	<b>15,427</b>

**9 ASSETS CLASSIFIED AS HELD FOR SALE**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<u>Property, plant and equipment</u>		
Plant and machinery retired from active use (Refer Note 9.1)	-	1,678
<b>TOTAL</b>	<b>-</b>	<b>1,678</b>

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

**Ecoplast Limited**  
Notes to Financial Statements for the year ended 31st March, 2024

**10 EQUITY SHARE CAPITAL**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised</b>		
1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
<b>Issued, Subscribed and Paid up</b>		
30,00,000 Equity Shares of Rs. 10/- each fully paid up	30,000	30,000
<b>Total</b>	<b>30,000</b>	<b>30,000</b>

**Notes:**

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

Authorised share capital:	No. of shares	Amount (Rs.'000)
Balance as at 1st April, 2023	1,00,00,000	1,00,000
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>1,00,00,000</b>	<b>1,00,000</b>

Issued, Subscribed and paid up share capital:	No. of shares	Amount (Rs.'000)
Balance as at 1st April, 2023	30,00,000	30,000
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>30,00,000</b>	<b>30,000</b>

(ii) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share

(iii) The Paid-up Capital includes 1,500,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus shares by capitalising Rs.5,000,000 out of General Reserve and Rs.10,000,000 out of Revaluation Reserve prior to listing of Company's Equity Shares.

(iv) The holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees after deducting applicable taxes.

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

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

Equity share of Rs. 10 each fully paid up with voting rights	Number of fully paid equity shares	% Holding
<b>Amita J.Desai</b>		
As at 31st March, 2023	5,60,760	18.69%
<b>As at 31st March, 2024</b>	<b>5,60,760</b>	<b>18.69%</b>
<b>Charulata N.Patel</b>		
As at 31st March, 2023	4,20,752	14.03%
<b>As at 31st March, 2024</b>	<b>4,29,885</b>	<b>14.33%</b>
<b>Stuti J.Desai</b>		
As at 31st March, 2023	1,55,960	5.20%
<b>As at 31st March, 2024</b>	<b>1,55,960</b>	<b>5.20%</b>
<b>Silver Stream Properties LLP</b>		
As at 31st March, 2023	4,76,827	15.89%
<b>As at 31st March, 2024</b>	<b>4,76,827</b>	<b>15.89%</b>



**Ecoplast Limited**  
Notes to Financial Statements for the year ended 31st March, 2024

(viii) Details of Shareholding of Promoters / Promoters Group

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
<b>Promoter</b>						
Amita Jaymin Desai	5,60,760	18.69	0.00	5,60,760	18.69	0.62
Silver Stream Properties LLP	4,76,827	15.89	0.00	4,76,827	15.89	0.00
Charulata Nitinbhai Patel	4,29,885	14.33	0.30	4,20,752	14.03	0.67
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
<b>Promoter Group</b>						
Stuti J Desai	1,55,960	5.20	0.00	1,55,960	5.20	0.00
Jaymin Balvantrai Desai	1,22,335	4.08	0.00	1,22,335	4.08	0.00
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
Bankim Bhupendrabhai Desai	8,640	0.29	0.00	8,640	0.29	0.29
<b>Total</b>	<b>20,61,107</b>	<b>68.70</b>		<b>20,51,974</b>	<b>68.40</b>	

11 OTHER EQUITY

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>(a) Securities premium</b>		
Balance as per last Balance Sheet	30,000	30,000
<b>Closing Balance</b>	<b>30,000</b>	<b>30,000</b>
<b>(b) General reserve</b>		
Balance as per last Balance Sheet	50,781	50,781
Add: Transferred from surplus in Statement of Profit and Loss	-	-
<b>Closing Balance</b>	<b>50,781</b>	<b>50,781</b>
<b>(c) Retained Earnings</b>		
Balance as at beginning of the year	2,29,385	1,84,931
Add: Profit for the year	94,670	44,454
	<b>3,24,055</b>	<b>2,29,385</b>
<b>Less: Appropriations</b>		
Payment of final Dividend to equity shareholders (Rs 1.50 per share)	4,500	-
<b>Closing Balance</b>	<b>3,19,555</b>	<b>2,29,385</b>
<b>(d) Other Comprehensive income</b>		
Balance as at beginning of the year	(7,114)	(8,749)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	(698)	1,635
<b>Closing Balance</b>	<b>(7,812)</b>	<b>(7,114)</b>
<b>Total</b>	<b>3,92,524</b>	<b>3,03,052</b>

**Securities premium**

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

**General Reserve**

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

**Retained earnings**

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

**Other Comprehensive income**

These are actuarial gains/ losses on employee benefit obligations.

**Ecoplast Limited**  
Notes to Financial Statements for the year ended 31st March, 2024

12 FINANCIAL LIABILITIES - NON CURRENT

12.1 BORROWINGS - NON CURRENT

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Secured Loans</b>		
Term Loan from Bank	-	2,167
Car Loan under Hire Purchase	1,697	878
<b>Total</b>	<b>1,697</b>	<b>3,045</b>

Details:

(i) The above are valued at Amortized cost.

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

Particulars	Rate of Interest (p.a.)	Amount (Rs.'000)
Car Loan under Hire Purchase	9.50%	1,697
<b>Total</b>		<b>1,697</b>

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

Particulars	Maturity Profile - Amount (Rs.'000)		
	1-2 years	3-4 years	> 4 years
Car Loan under Hire Purchase	636	768	293
<b>Term Loan from Bank &amp; Others</b>	<b>636</b>	<b>768</b>	<b>293</b>

12.2 LEASE LIABILITIES - NON CURRENT

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Lease Rent Liability	5,242	676
<b>Total</b>	<b>5,242</b>	<b>676</b>

13 PROVISIONS - NON CURRENT

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits:</b>		
Provision for compensated absences	11,004	9,677
<b>Total</b>	<b>11,004</b>	<b>9,677</b>

14 DEFERRED TAX LIABILITIES (NET)

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Tax effect of items constituting deferred tax liability</b>		
On difference between book balance and tax balance of fixed assets	12,162	12,688
	12,162	12,688
<b>Tax effect of items constituting deferred tax assets</b>		
Provision for compensated absences, gratuity and other employee benefits	3,730	3,614
Provision for doubtful debts / advances	105	3,991
Provision for diminution in the value of investments	1,586	1,586
On Account of Retiring Gratuity	286	767
Adjustment to Right to use asset	2,056	504
	7,764	10,462
<b>Net deferred tax Liability</b>	<b>(4,398)</b>	<b>(2,226)</b>

**Ecoplast Limited**  
**Notes to Financial Statements for the year ended 31st March, 2024**

**15 FINANCIAL LIABILITIES - CURRENT**

**15.1 BORROWINGS (CURRENT)**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>From banks</b>		
Current maturities of long-term Secured Debts (Refer Note 7.2)	1,154	7,484
<b>Total</b>	<b>1,154</b>	<b>7,484</b>

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

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

The rate of interest of the said facility is sanctioned at 11.50% Per annum.

(ii) The above are valued at Amortized cost.

**15.2 TRADE PAYABLES**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Trade payables:</b>		
Micro, Small and Medium Enterprises	15,555	11,910
Related Party	1,283	1,919
Others	68,910	49,754
<b>Total</b>	<b>85,748</b>	<b>63,584</b>

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

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2024 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Principal Amount due and remaining unpaid	-	10
Interest due on above and the unpaid interest	-	0
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	-	6,373
Interest due and payable for the period of delay	-	58
Interest accrued and remaining unpaid	-	58
Amount of further interest remaining due and payable in succeeding years	-	58

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	Amount (Rs.'000)					
	As at 31st March, 2024					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	15,555	-	-	-	-	15,555
(ii) Others	55,286	14,602	-	-	305	70,193
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

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

**Ecoplast Limited**  
Notes to Financial Statements for the year ended 31st March, 2024

**15.3 OTHER FINANCIAL LIABILITIES**

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Unclaimed dividends	467	576
Others -Net Salaries & Wages Payable	1,803	1,652
<b>Total</b>	<b>2,270</b>	<b>2,228</b>

**15.4 LEASE LIABILITIES - CURRENT**

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Lease rent Liability	2,928	1,135
<b>Total</b>	<b>2,928</b>	<b>1,135</b>

**16 OTHER CURRENT LIABILITIES**

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Other payables</b>		
Statutory dues payable	1,968	4,652
Advances from customers	6,448	8,492
<b>Total</b>	<b>8,416</b>	<b>13,144</b>

**17 PROVISIONS**

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits:</b>		
Provision for Bonus	3,274	2,794
Provision for Compensated Absences	542	519
<b>Total</b>	<b>3,816</b>	<b>3,313</b>

## 18 REVENUE FROM OPERATIONS

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Sale of products</b>		
<u>Manufactured goods</u>		
Plastic Films	11,18,281	9,33,831
Others	5,269	5,828
<u>Traded goods</u>		
Others	6,591	14,830
<b>Other operating revenues</b>		
Sale of Scrap	2,388	1,342
Services rendered	1,885	4,307
<b>Total</b>	<b>11,34,414</b>	<b>9,60,138</b>

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

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue as per contracted price	11,43,909	9,68,022
<b>Adjustments :</b>		
Sales return	8,089	6,976
Sales Price/ Quantity Difference/ Quality claims	512	648
Development Cost - free Samples	313	202
Discounts	581	58
<b>Revenue from contract with customers</b>	<b>11,34,414</b>	<b>9,60,138</b>

## 19 OTHER INCOME

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Interest income</b>		
Interest from banks on Fixed Deposits	3,402	164
Interest Others	236	128
Interest on Employees Loan	49	81
Interest on loan to subsidiary	124	-
<b>Other non-operating income</b>		
Profit on sale of fixed assets	765	21,884
Insurance Claim Received	260	9,652
Foreign Exchange Gain (net)	4,348	1,672
Impairment Provision written Back	1,981	49
Miscellaneous income	6,631	5,102
Sundry Creditors written back (net)	522	266
Duty Drawback on Export Sales	776	-
Rodtep-Benefits Received	883	-
Recovery of Bad debts	1,854	-
<b>Total</b>	<b>21,831</b>	<b>38,998</b>

**Ecoplast Limited**  
**Notes to Financial Statements for the year ended 31st March, 2024**

**20 COST OF MATERIALS CONSUMED**

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Stock	45,394	76,649
Add: Purchases	7,39,565	6,29,258
Less: Closing Stock	64,516	45,394
<b>Total</b>	<b>7,20,443</b>	<b>6,60,514</b>

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

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Inventories at the end of the year:		
Finished goods	24,921	18,092
Work-in-progress	21,507	15,783
Stock in-trade	-	354
	<b>46,428</b>	<b>34,228</b>
Inventories at the beginning of the year:		
Finished goods	18,092	18,923
Work-in-progress	15,783	17,191
Stock in-trade	354	753
	<b>34,228</b>	<b>36,867</b>
<b>Net (increase) / decrease</b>	<b>(12,200)</b>	<b>2,638</b>

**22 EMPLOYEE BENEFIT EXPENSE**

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, Wages, Bonus and Other Allowances	98,286	82,867
Contributions to Provident and other funds	11,780	9,258
Staff Welfare expenses	1,055	607
<b>Total</b>	<b>1,11,121</b>	<b>92,732</b>

**Ecoplast Limited**  
**Notes to Financial Statements for the year ended 31st March, 2024**

**23 FINANCE COSTS**

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense	321	6,153
Other Borrowing costs	3,024	2,797
<b>Total</b>	<b>3,345</b>	<b>8,950</b>

**24 OTHER EXPENSES**

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of Stores and Spare parts	1,722	1,716
Consumption of Packing Materials	38,761	25,968
Consumption of Printing Cylinders	3,207	1,742
Power and fuel	57,095	49,227
Conversion Charges Paid	11,191	3,195
Repairs and Maintenance - Buildings	2,098	3,060
Repairs and Maintenance - Machinery	5,695	4,967
Repairs and Maintenance - Others	428	493
Insurance	5,976	5,199
Rates and taxes	150	201
Plastic waste management Expense	3,323	1,294
Network Charges	507	519
Travelling and Conveyance	1,764	1,846
Printing and Stationery	670	522
Freight and forwarding	20,950	15,130
Sales Commission	2,110	2,254
Sales discount	3,701	197
Business promotion	61	89
Donations and contributions	75	300
CSR Expenditure	-	262
Motor Car Expenses	760	891
Security Charges	2,189	1,927
Directors Sitting Fees	660	510
Commission to Non-Executive Directors	1,228	426
Legal and Professional	6,289	5,277
Payments to Auditors (see note below)	797	758
Provision for doubtful trade receivables	-	47
Impairment loss of Assets held for sale	-	2,123
Loss on Sales / Discarded Assets	25	-
Other Miscellaneous Expenses	7,735	4,857
<b>Total</b>	<b>1,79,167</b>	<b>1,34,997</b>

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Payments to the auditors comprises to statutory auditors		
Audit Fees	450	450
Tax Audit Fees	80	80
Certification and Other Services	146	160
Reimbursement of Expenses	121	68
<b>Total</b>	<b>797</b>	<b>758</b>

## Ecoplast Limited

### Notes Forming Part of Financial Statements for the year ended 31st March, 2024

#### 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

	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit attributable to equity holders of the company for basic and diluted earnings per share	94,670	44,454

##### ii. Weighted average number of ordinary shares

	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Number of issued equity shares	30,00,000	30,00,000
Nominal Value per share	10	10
Weighted average number of shares at 31st March for basic and diluted earnings per share	30,00,000	30,00,000
<b>Basic and Diluted earnings per share (in Rs)</b>	<b>31.56</b>	<b>14.82</b>



**Ecoplast Limited**  
Notes Forming Part of Financial Statements for the year ended 31st March, 2024

**26 Tax Expense**

**(a) Amounts recognised in profit and loss**

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Current tax expense</b>		
Current year	28,252	8,472
Short/(Excess) provision of earlier years	(631)	(689)
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	2,020	9,741
<b>Tax expense recognised in the income statement</b>	<b>29,641</b>	<b>17,524</b>

**(b) Amounts recognised in other comprehensive income**

Amount (Rs.'000)

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	(546)	(152)	(698)	1,280	355	1,635
	<b>(546)</b>	<b>(152)</b>	<b>(698)</b>	<b>1,280</b>	<b>355</b>	<b>1,635</b>

**(c) Reconciliation of effective tax rate**

Amount (Rs.'000)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amounts	%	Amounts
<b>Profit before tax</b>		1,24,311		61,978
Tax using the Company's domestic tax rate	25.17%	31,287	27.82%	17,242
<b>Tax effect of:</b>				
Expenses not deductible for tax purposes	-2.44%	(3,035)	-14.15%	(8,770)
Short/(Excess) provision of earlier years	-0.51%	(631)	-1.11%	(689)
Others	1.62%	2,020	15.72%	9,741
<b>Effective income tax rate</b>	<b>23.84%</b>	<b>29,641</b>	<b>28.27%</b>	<b>17,524</b>

**(d) Movement in deferred tax**

Amount (Rs.'000)

Particulars	As at 31st March, 2023			As at 31st March, 2024		
	Net balance March 31, 2023	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2024	Deferred tax asset	Deferred tax liability
<b>Tax effect of items constituting deferred tax liability</b>						
On difference between book balance and tax balance of fixed assets	12,688	(526)	-	12,162	-	12,162
Provision for compensated absences, gratuity and other employee benefits	(3,614)	(268)	152	(3,730)	3,730	-
Provision for doubtful debts / advances	(3,991)	3,886	-	(105)	105	-
Provision for diminution in the value of investments	(1,586)	-	-	(1,586)	1,586	-
On Account of Retiring Gratuity	(767)	481	-	(286)	286	-
Adjustment to Right to use asset	(504)	(1,552)	-	(2,056)	2,056	-
<b>Tax (Assets) / Liabilities (Net)</b>	<b>2,226</b>	<b>2,020</b>	<b>152</b>	<b>4,398</b>	<b>7,764</b>	<b>12,162</b>

**Ecoplast Limited**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

**27 Financial instruments**

**A. Capital Management:**

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

**Its guiding principles:**

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

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

The Company monitors capital on the basis of the following debt equity ratio: Amount (Rs.'000)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Borrowings	2,850	10,528
Less: Cash and bank balances	19,067	23,568
<b>Net debt</b>	<b>(16,217)</b>	<b>(13,040)</b>
Total equity	4,22,524	3,33,052
<b>Net debt to equity ratio</b>	<b>-3.84%</b>	<b>-3.92%</b>

**B Fair value measurement hierarchy:**

Amount (Rs.'000)

Particulars	As at				As at			
	31st March, 2024				31st March, 2023			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
Level 1		Level 2	Level 3	Level 1		Level 2	Level 3	
<b>Financial assets</b>								
<b>At FVTPL</b>	-	-	-	-	-	-	-	-
<b>At FVTOCI</b>	-	-	-	-	-	-	-	-
<b>At Amortized cost</b>								
Trade Receivables	1,06,508	-	-	1,19,609	-	-	-	-
Cash and cash equivalents	19,067	-	-	23,568	-	-	-	-
Bank balances other than above	80,552	-	-	2,691	-	-	-	-
Loans	2,900	-	-	1,159	-	-	-	-
Other financial assets	7,408	-	-	4,015	-	-	-	-
<b>Financial liabilities</b>								
<b>At FVTPL</b>	-	-	-	-	-	-	-	-
<b>At Amortized cost</b>								
Borrowings	2,850	-	-	10,528	-	-	-	-
Trade payables	85,749	-	-	63,584	-	-	-	-
Other financial liabilities	2,270	-	-	2,228	-	-	-	-
Lease Liabilities	8,170	-	-	1,811	-	-	-	-

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, 2023.

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 March, 2024**

**28 Financial risk management**

**Risk management framework**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks, commodity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse 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.106,508 thousands and Rs.119,609 thousands as at March 31, 2024 and March 31, 2023, respectively.

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

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

The Company uses an allowance matrix to measure the expected credit losses of trade receivables.

The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

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

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Not due	1,00,230	1,14,458
1 - 180 Days	6,278	5,002
181-360 Days	-	6
361-500 Days	-	14,070
More Than 500 days	418	418
Allowance for doubtful trade receivables (Expected credit loss allowance)	(418)	(14,346)
<b>Total</b>	<b>1,06,508</b>	<b>1,19,609</b>

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Opening provision	14,346	14,299
Additional provision made	-	47
Provision Reversal	(13,928)	-
<b>Closing provision</b>	<b>418</b>	<b>14,346</b>

**Cash and cash equivalents**

The Company held cash and cash equivalents of Rs. 99,619 thousands as at 31st March, 2024 (Rs. 26,259 thousands as at 31st March, 2023). The cash and cash equivalents are held with banks.

**Ecoplast Limited**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

**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:

Amount (Rs.'000)

Particulars	As at 31st March, 2023			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
<b>Non-derivative financial liabilities</b>				
Borrowings	10,528	7,484	3,045	-
Trade and other payables	63,584	63,584	-	-
Other financial liabilities	2,228	2,228	-	-
Lease liabilities	1,811	1,135	676	-
	<b>78,151</b>	<b>74,430</b>	<b>3,721</b>	<b>-</b>

Amount (Rs.'000)

Particulars	As at 31st March, 2024			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
<b>Non-derivative financial liabilities</b>				
Borrowings	2,850	1,154	1,697	-
Trade and other payables	85,749	85,749	-	-
Other financial liabilities	2,270	2,270	-	-
Lease liabilities	8,170	2,928	5,242	-
	<b>99,039</b>	<b>92,100</b>	<b>6,939</b>	<b>-</b>

**Ecoplast Limited**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

**C Market risk**

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

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

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

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

(In'000)

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
In US Dollars (USD)	255	189	42	37

Particulars	Liabilities Amount (Rs.'000)		Assets Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
In US Dollars (USD)	21,405	15,644	3,502	3,049

**Foreign currency sensitivity analysis**

The Company is mainly exposed to the currency : USD

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

**Impact on profit or loss and total equity**

Particulars	USD impact - Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Increase in exchange rate by 5%	(895)	(630)
Decrease in exchange rate by 5%	895	630

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

**D Interest rate risk**

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

**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March 2024**

**E Commodity Risk**

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

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

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

**Ecoplast Limited**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

**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.5,587 thousands (As at 31st March, 2023: Rs. 5,342 thousands) for Provident Fund contributions and Rs. 3,221 thousands (As at 31st March, 2023: Rs.2,869 thousands) 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, 2024.

a) Changes in present value of obligations (PVO)	Amount (Rs.'000)	
	<b>Gratuity - Funded</b>	
	<b>31st March, 2024</b>	<b>31st March, 2023</b>
Present Value of Benefit Obligation at the Beginning of the Period	35,185	38,018
Interest cost	2,646	1,718
Past Service Cost	-	(2,045)
Current service cost	1,853	1,634
Benefits paid from the fund	(1,724)	(3,415)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	798	(816)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(60)	90
<b>PVO at the end of the year</b>	<b>38,699</b>	<b>35,185</b>

**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

Amount (Rs.'000)

b) Fair value of plan assets:	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Fair value of plan assets at the beginning of the year	37,943	20,672
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	192	554
Interest income	2,853	1,495
Contributions by the employer	571	18,637
Benefits paid from the fund	(1,724)	(3,415)
<b>Fair value of plan assets at the end of the year</b>	<b>39,835</b>	<b>37,943</b>

Amount (Rs.'000)

c) Amount to be recognized in the balance sheet:	Gratuity - Funded	
	31st March, 2024	31st March, 2023
PVO at the end of period	38,699	35,185
Fair value of plan assets at end of the period	39,835	37,943
Funded status (Surplus)	1,136	2,758
<b>Net Asset Recognized in the Balance Sheet</b>	<b>1,136</b>	<b>2,758</b>

Amount (Rs.'000)

d) Expense recognized in the statement of profit or loss:	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Current service cost	1,853	1,634
Net interest Cost	(207)	224
Past Service Cost	-	(1,590)
<b>Expense recognized in the statement of profit or loss</b>	<b>1,646</b>	<b>268</b>

Amount (Rs.'000)

e) Other comprehensive income (OCI):	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Actuarial (Gain)/Loss on Obligation for the period	739	(726)
Return on plan assets excluding Interest Income	(192)	(554)
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>546</b>	<b>(1,280)</b>

Amount (Rs.'000)

f) Actual return on the plan assets:	Gratuity - Funded	
	31st March, 2024	31st March, 2023
	3,045	2,048

Amount (Rs.'000)

g) Category of Assets	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Insurance Fund	39,835	37,943

h) Assumption:	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Expected Rate on Plan Assets	7.22%	7.52%
Rate of Discounting	7.22%	7.52%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate during employment	IALM(2012-14)	IALM(2012-14)
Mortality Rate After employment	N.A	N.A

**Assumption:**

1. Analysis of Defined Benefit Obligation

The number of members under the scheme have Increased by 7.63% ( P.Y. by decreased 11.94%) However the total salary Increased by 14.45% (P.Y. decreased by 9.37%) during the accounting period.

2. Expected rate of return basis

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

3. Description of Plan Assets

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



**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

**i) Expected Payout:**

Year	Amount (Rs.'000)	
	PVO payouts 31st March, 2024	PVO payouts 31st March, 2023
1st Following Year	2,275	2,217
2nd Following Year	1,513	2,184
3rd Following Year	1,692	1,410
4th Following Year	2,031	1,582
5th Following Year	2,011	1,922
Sum of years 6 to 10	32,877	30,045
Sum of years 11 and above	29,428	29,536

**j) Sensitivity analysis**

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

Particulars	Amount (Rs.'000)	
	31st March, 2024	31st March, 2023
Projected Benefit Obligation on Current Assumptions	38,699	35,185
Delta Effect of +1% Change in Rate of Discounting	(2,556)	(2,416)
Delta Effect of -1% Change in Rate of Discounting	2,878	2,725
Delta Effect of +1% Change in Rate of Salary Increase	2,364	2,294
Delta Effect of -1% Change in Rate of Salary Increase	2,225	(2,124)
Delta Effect of +1% Change in Rate of Employee Turnover	(4)	24
Delta Effect of -1% Change in Rate of Employee Turnover	4	(30)

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

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

	Note	Amount (Rs.'000)	
		As at 31st March, 2024	As at 31st March, 2023
Total employee benefit liabilities			
Other current assets	8	1,136	2,758

**(k) General Assumptions**

(i) Leave Policy:

Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31 March 2024 is available for encashment on separation from the company upto a maximum of 90 days.

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

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

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

**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March,2024**

**30 Related Party Transactions**

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

**1) Name of the related party and nature of relationship: -**

		Amount (Rs.'000)	
Sr No	Particulars	2023-24	2022-23
<b>A)</b>	<b>Subsidiary Company</b>		
	Synergy Films Pvt.Ltd.		
	Unsecured loan given & receivable	1,500	-
	Interest on unsecured loan earned & receivable	124	-
<b>B)</b>	<b>Key Managerial Personnel (KMP)</b>		
	Mr. J.B.Desai : Managing Director		
	Remuneration Paid	11,152	10,762
	Mr.Atul Bajjal : Whole Time Director		
	Remuneration Paid	5,941	5,720
	Mr. Vaibhav kumar Totla : Chief Finance Officer (Resigned w.e.f. 03.11.23)		
	Remuneration Paid	1,113	1,852
	Mr. Setu Parikh : Chief Finance Officer (Appointed w.e.f. 04.11.23)		
	Remuneration Paid	846	-
	Mr. Rakesh Kumawat : Company Secretary		
	Remuneration Paid	1,029	891
<b>C)</b>	<b>Directors</b>		
	Mr. M. B. Desai : Chairman /Independent Director		
	Sitting Fees Paid	230	190
	Commission Payable	409	142
	Mrs. C. N. Patel : Non Executive Director		
	Sitting Fees Paid	200	130
	Commission Payable	409	142
	Mr. B. M. Desai : Independent Director		
	Sitting Fees Paid	230	190
	Commission Payable	409	142
	Mr. D. T. Desai : Independent Director		
	Sitting Fees Paid	-	-
	Commission Paid on Profit	-	-
<b>D)</b>	<b>Others :</b>		
	Mr. Aditya N.Patel : Relative of Director		
	Remuneration Paid	1,408	1,280
	Mrs. Amita J.Desai : Relative of Director		
	Rent Paid	1,531	1,305
	Mr. Jay Shroff : Relative of Director		
	Rent Paid	1,607	1,370

**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March,2024**

		Amount (Rs.'000)	
Sr No	Particulars	2023-24	2022-23
E)	<b>Kunal Plastics Private Limited (Propack Industries)</b>		
	Sales of Goods	13,801	19,193
	Purchase of Goods	11,378	7,947
	Render Services	161	2,643
	Receiving Services	7,921	3,000
	Balance Receivable	560	1,748
	Balance Payable	1,283	1,919

Transactions with KMP		Amount (Rs.'000)	
Sr No.	Particulars	2023-24	2022-23
1	Short Term benefits	20,081	19,225
2	Post employment benefits	-	-
3	Other Long term benefits	-	-
4	Termination benefits	-	-
5	Share based payment	-	-

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

Footnotes:

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

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

## Ecoplast Limited Notes Forming Part of Financial Statements for the year ended 31st March, 2024

### 31 (i) Capital Commitments

Amount (Rs.'000)

Particulars	Year ended	
	As at 31st March, 2024	As at 31st March, 2023
On account of Capital Commitments ( Net of advances)	42,540	4,721
<b>TOTAL</b>	<b>42,540</b>	<b>4,721</b>

### (ii) Contingent liabilities

Amount (Rs.'000)

Particulars	Year ended	
	As at 31st March, 2024	As at 31st March, 2023
Bank Guarantee given ( Dakshin Gujrat Vij Co Ltd.)	7,291	7,291
<b>TOTAL</b>	<b>7,291</b>	<b>7,291</b>

### 32 Segment information :

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

**Ecoplast Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March, 2024**

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

Amount Outstanding Amount (Rs.'000)		Maximum Balance outstanding during the year end - Amount (Rs.'000)		Investment by Subsidiary in Shares of the Company - Amount (Rs.'000)	
As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
1,611	-	1,611	-	-	-

- 34 The Company has imported Plant and Machineries under Export Promotion Capital Goods Scheme (EPCG) without payment of Custom Duty. In the event of non-fulfilment of export obligations as specified, Company may be held liable to pay custom duty of Rs.9,905 thousands (Previous year Rs. 9,905 thousands) in terms of the said Scheme. As on 31st March 2024 Company is not in any default under the Scheme.

- 35 The Company prior to it being listed had issued Bonus shares on 29th June, 1994 for Rs. 10 Million (10,00,000 equity shares of Rs. 10/- each) by capitalising part of its revaluation reserve. Accordingly, the paid up equity share capital of the company stands increased by Rs. 10 Million and the revaluation reserve stands reduced by that amount. The issue of bonus shares as aforesaid is contrary to the circular issued by the Department of Company Affairs issued in September, 1994 and the recommendations of the Institute of Chartered Accountants of India issued in November, 1994. However, the Hon'ble Supreme Court in the decision in the case of Bhagwati Developers Vs Peerless General Finance & Investment Co. & others (2005) Comp LJ 377 (SC) has held that there is no specific bar under the Companies Act for issue of Bonus Shares out of Revaluation Reserve and that the Department's Communique was advisory in nature, without any mandatory effect. The Management is therefore of the opinion that both according to the accounting principles and provisions of Company Law, the Company was justified in capitalizing its Revaluation Reserve.

36 **Leases**

Operating lease:

The Company procures godown and Office on lease under operating leases. These rentals recognised in the Statement of Profit and Loss Account for the year ended 31st March, 2024 is Rs. 3,335 thousands, 31st March, 2023 is Rs. 2,863 thousands).

- (i) **The movement of lease liability during the year**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	1,811	3,544
Additions during the year	8,970	808
Finance costs incurred during the year	722	353
Payments of Lease liabilities	(3,335)	(2,894)
<b>Closing balance</b>	<b>8,170</b>	<b>1,811</b>

- (ii) **Maturity analysis of lease liabilities**

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Maturity Analysis of contractual undiscounted cash flows</b>		
Less Than one year	2,928	1,135
One to five years	5,242	676
<b>Total undiscounted lease liability</b>	<b>8,170</b>	<b>1,811</b>
<b>Balances of lease liability</b>		
Non current lease liability	5,242	676
current lease liability	2,928	1,135
<b>Total lease liability recognised as financial liabilities</b>	<b>8,170</b>	<b>1,811</b>

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.

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

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

Particulars	Amount (Rs.'000)	
	As at 31st March,	As at 31st March, 2023
a) The gross amount required to be spent by the Company during the year	-	262
b) The amount spent during the year on CSR activities is as follows:		
Amount spent during the year on :		
1) Construction/Acquisition of any asset	-	-
2) On purpose other than (1) above	-	262

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

38 **Event occurring after Balance Sheet date:**

The Board of Directors, at its meeting held on 22nd May, 2024 have recommended a final dividend of Rs. 3/- per equity share of face value Rs. 10/- each for the financial year ended 31st March, 2024. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately Rs.9,000 thousands for dividend. (Previous Year Rs. 1.50 per Equity Share resulting in to total Outgo of Rs.4,500 thousands).

## 39 Additional Regulatory Information

- 1 The Company does not have any transactions with companies struck off.
- 2 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- 3 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 4 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the company (Ultimate Beneficiaries) or Ultimate Beneficiaries or a ae provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 5 The company does not not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 6 The Quarterly returns / Statements of current assets filed by the company with the banks in relation to secured borrowings, wherever applicable, are in agreement with the books of accounts.
- 7 The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 8 No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

## 40 Key Financial Ratios:

Ratio	Numerator	Denominator	Current Year	Previous Year	% of Variance	Reasons for Variances
Current ratio	Current Assets	Current Liabilities	3.39	2.98	14%	Below threshold of 25%
Debt-equity ratio	Total Debt	Shareholder's Equity	0.01	0.03	-79%	Repayment of Loans and non utilization of Cash Credit
Debt service coverage ratio	Earnings available for debt service	Debt Service	9.23	3.43	169%	Negligible interest cost, Company is effectively operating at zero debt
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.25	0.14	-75%	Improvement in Business operations, ultimately increase in net profits
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	6.19	5.67	9%	Below threshold of 25%
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	10.03	6.00	67%	Increased Sales and but reduction in Debtor's level
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	9.98	9.26	8%	Below threshold of 25%
Net capital turnover ratio	Net Sales	Working Capital	4.55	5.34	-15%	Below threshold of 25%
Net profit ratio	Net Profit	Net Sales	0.08	0.05	-80%	Improvement in Business operations
Return on capital employed	Earning before interest and taxes	Capital Employed	0.30	0.21	-45%	Improvement in Business operations
Return on investment	Income (Finance)	Investments	Not Applicable as Investments made in subsidiary	Not Applicable as Investments made in subsidiary	-	-

## 41 Authorization of Financial Statements:

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 22nd May, 2024.

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 :-24108310BKALNC5734

Place: Surat

Date: 22nd May 2024

**For and on behalf of the Board of Directors**

**JAYMIN B. DESAI**

Managing Director

DIN 00156221

**SETU PARIKH**

Chief Finance Officer

Place: Mumbai

Date : 22nd May 2024

**ATUL BAIJAL**

Whole Time Director

DIN 09046341

**RAKESH KUMAR KUMAWAT**

Company Secretary

**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, 2024, 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, 2024 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

### **Key Audit Matters**

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

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

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

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable



and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial

statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Group (Holding Company and Subsidiary) to cease to continue as a going concern.

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

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

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

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

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

**Report on other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 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 2024 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.
- v) The Company has declared dividend and paid during the year under consideration is in compliance with section 123 of the Companies Act, 2013.
- vi) Based on our examination, which includes test checks, the company and its subsidiary incorporated in India, have used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

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

**Date :- 22<sup>nd</sup> May, 2024**  
**Place :- Surat**

**Mayank Y. Desai**  
**Partner**  
**Membership No. :- 108310**  
**UDIN :- 24108310BKALND7726**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of **ECOPLAST LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiary company, which is company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls 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

## **Ecoplast Ltd**

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, 2024, 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 :- 22<sup>nd</sup> May, 2024**

**Place :- Surat**

**Mayank Y. Desai**

**Partner**

**Membership No. :- 108310**

**UDIN :- 24108310BKALND7726**

**Ecoplast Limited**  
Consolidated Balance Sheet as at 31st March, 2024  
CIN : L25200GJ1981PLC004375

		Amount (Rs.'000)		
	Particulars	Note No.	As at 31st March,2024	As at 31st March, 2023
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2.1	1,51,763	1,46,269
	(b) Capital work-in-progress	2.2	4,828	773
	(c) Right of use Asset	2.3	7,839	1,740
	(d) Financial Assets			
	(i) loan	3.1	686	475
	(ii) Other financial assets	3.2	1,500	1,500
	(e) Income Tax Assets (Net)	4	3,272	8,568
	(f) Other non-current assets	5	16,486	2,298
			<b>1,86,374</b>	<b>1,61,623</b>
(2)	<b>Current assets</b>			
	(a) Inventories	6	1,24,542	1,04,450
	(b) Financial Assets			
	(i) Trade Receivables	7.1	1,06,508	1,19,609
	(ii) Cash and cash equivalents	7.2	19,852	23,882
	(iii) Bank balances other than (ii) above	7.3	80,552	2,691
	(iv) Loans	7.4	603	685
	(v) Other financial assets	7.5	5,908	2,534
	(c) Other current assets	8	14,947	15,694
	(d) Assets classified as held for Sale	9	7,053	8,731
	<b>Total current assets</b>		<b>3,59,965</b>	<b>2,78,276</b>
	<b>TOTAL ASSETS</b>		<b>5,46,339</b>	<b>4,39,899</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	10	30,000	30,000
	(b) Other Equity	11	3,89,583	3,03,052
	<b>Total equity</b>		<b>4,19,583</b>	<b>3,33,052</b>
	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12.1	1,697	3,045
	(ii) Lease Liabilities	12.2	5,242	676
	(b) Provisions	13	11,004	9,677
	(c) Deferred tax liabilities (Net)	14	4,398	2,226
	<b>Total non current liabilities</b>		<b>22,341</b>	<b>15,624</b>
(2)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15.1	1,154	7,484
	(ii) Lease Liability	15.4	2,928	1,135
	(iii) Trade payables			
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	15.2	15,555	11,910
	b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	15.2	70,254	51,751
	(iv) Other financial liabilities	15.3	2,270	2,258
	(b) Other current liabilities	16	8,438	13,165
	(c) Provisions	17	3,816	3,520
	<b>Total current liabilities</b>		<b>1,04,415</b>	<b>91,223</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,46,339</b>	<b>4,39,899</b>
<b>The accompanying notes from 1 to 39 are an integral part of the financial statements</b>				
As per our Report of even date.				
<b>For Y.B.Desai &amp; Associates</b>		<b>For and on behalf of the Board of Directors</b>		
Chartered Accountants				
<b>MAYANK Y. DESAI</b>		<b>JAYMIN B. DESAI</b>	<b>ATUL BAIJAL</b>	
Partner		Managing Director	Whole Time Director	
Membership No : 108310		<b>DIN 00156221</b>	<b>DIN 09046341</b>	
UDIN:24108310BKALND7726		<b>SETU PARIKH</b>	<b>RAKESH KUMAR KUMAWAT</b>	
		Chief Finance Officer	Company Secretary	
Place: Surat		Place: Valsad		
Date : 22nd May 2024		Date : 22th May 2024		



**Ecoplast Limited**  
**Consolidated Statement of Profit and loss for the Year ended 31st March, 2024**  
**CIN : L25200GJ1981PLC004375**

		Amount (Rs. '000)		
	Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March, 2023
I	Revenue from Operations	18	11,34,414	9,62,288
II	Other Income	19	19,771	39,050
III	<b>TOTAL INCOME (I+II)</b>		<b>11,54,185</b>	<b>10,01,338</b>
IV	Expenses			
	Cost of materials consumed	20	7,20,443	6,60,514
	Purchase of stock in trade		5,234	12,797
	Changes in inventories of finished goods, stock in trade and work-in-progress	21	(12,200)	3,544
	Employee benefits expense	22	1,11,419	93,271
	Finance costs	23	3,363	8,953
	Depreciation and amortization expense	2	24,824	24,530
	Other expenses	24	1,79,732	1,35,751
	<b>TOTAL EXPENSES (IV)</b>		<b>10,32,815</b>	<b>9,39,360</b>
V	<b>Profit before tax (III-IV)</b>		<b>1,21,370</b>	<b>61,978</b>
VI	Tax expense:			
	(1)Current tax		28,252	8,472
	(2)Deferred tax		2,020	9,741
	(3)Tax in respect of Earlier Years		(631)	(689)
VII	<b>Profit for the year( V-VI)</b>		<b>91,729</b>	<b>44,454</b>
VIII	<b>Other Comprehensive Income</b>			
	<b>(i) Items that will not be reclassified to profit or loss</b>			
	- Remeasurement of Defined benefit plans		(546)	1,280
	- Tax on other comprehensive income		(152)	355
IX	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>91,031</b>	<b>46,089</b>
X	Earnings per equity share [Nominal value per share Rs.10]			
	Basic and Diluted	25	30.58	14.82

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**

Partner

Membership No : 108310

UDIN:24108310BKALND7726

Place: Surat

Date : 22nd May 2024

**For and on behalf of the Board of Directors**

**JAYMIN B. DESAI**

Managing Director

DIN 00156221

**SETU PARIKH**

Chief Finance Officer

Place: Valsad

Date : 22th May 2024

**ATUL BAIJAL**

Whole Time Director

DIN 09046341

**RAKESH KUMAR KUMAWAT**

Company Secretary

**Ecoplast Limited**  
**Consolidated Cash Flow Statement for the year ended 31st March, 2024**

CIN : L25200GJ1981PLC004375

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount (Rs.'000)		Amount (Rs.'000)	
<b>A. Cash flow from operating activities</b>				
Net Profit/(loss) before Tax as per Statement of Profit and Loss		1,21,370		61,978
<i>Adjustments for:</i>				
Depreciation and amortization and impairment	24,824		24,530	
(Profit) / loss on sale / write off of assets (net)	(740)		(21,884)	
Finance costs	3,363		8,953	
Interest income	(3,687)		(373)	
Other Comprehensive Income	(546)		1,280	
Liabilities / provisions no longer required written back	(44)		(101)	
Interest paid on leased assets	722		353	
Principal payment on leased assets	2,613		2,510	
Unrealised foregin exchange (gain) / loss (net)	18		59	
Provision for doubtful trade and other receivables, loans and advances	-		47	
		26,523		15,375
Operating profit before working capital changes		1,47,893		77,352
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(20,092)		25,720	
Trade receivables	13,101		80,318	
Short-term loans and advances	82		69	
Long-term loans and advances	(211)		456	
Other current financial assets	(3,392)		(930)	
Other non current assets	(8,892)		7,778	
Other current assets	747		(2,627)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	22,147		(11,838)	
Other current liabilities	(4,727)		(1,769)	
Other financial and lease liabilities	6,414		(2,382)	
Other non current liabilities	631		689	
Short-term provisions	297		(17,186)	
Long-term provisions	1,328		1,173	
		7,433		79,473
		1,55,326		1,56,825
Cash generated from operations		1,55,326		1,56,825
Net income tax (paid) / refunds		(28,252)		(8,472)
<b>Net cash flow from operating activities (A)</b>		<b>1,27,074</b>		<b>1,48,353</b>
<b>B. Cash flow from investing activities</b>				
Payment for property, plant and equipment , including capital advances	(39,587)		(22,903)	
Proceeds from sale of fixed assets	1,533		27,861	
Interest received				
- Others	3,687		373	
		(34,367)		5,331
<b>Net cash flow (used in) / from investing activities (B)</b>		<b>(34,367)</b>		<b>5,331</b>

<b>ECOPLAST LTD</b>				
<b>Consolidated Cash Flow Statement for the year ended 31st March, 2024</b>				
Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount (Rs.'000)		Amount (Rs.'000)	
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(1,348)		(23,354)	
Net increase / (decrease) in Short term borrowings	(6,330)		(1,01,924)	
Finance cost	(3,363)		(8,953)	
Interest paid on leased assets	(722)		(353)	
Principal payment on leased assets	(2,613)		(2,510)	
Dividends paid	(4,500)		-	
		(18,876)		(1,37,094)
<b>Net cash flow used in financing activities (C)</b>		<b>(18,876)</b>		<b>(1,37,094)</b>
<b>Net increase in Cash and cash equivalents (A+B+C)</b>		<b>73,831</b>		<b>16,589</b>
Cash and cash equivalents at the beginning of the year comprises :		26,387		9,667
Cash on hand		186		317
<b>Cash and cash equivalents at the end of the year</b>		<b>1,00,404</b>		<b>26,573</b>
<b>Cash and cash equivalents at the end of the year Comprises :</b>				
(a) Cash on hand		177		186
(b) Balances with banks				
(i) Balances with banks in current accounts and deposit accounts		19,675		23,696
(iii) Balances with banks in earmarked balances and deposit accounts		80,552		2,691
		<b>1,00,404</b>		<b>26,573</b>
<b>Notes:</b>				
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.				
<b>The accompanying notes from 1 to 39 are an integral part of the financial statements</b>				
As per our Report of even date. <b>For Y.B.Desai &amp; Associates</b> Chartered Accountants Firm ICAI Registration No. 102368W		<b>For and on behalf of the Board of Directors</b>		
<b>MAYANK Y. DESAI</b> Partner Membership No : 108310 UDIN:24108310BKALND7726	<b>JAYMIN B. DESAI</b> Managing Director <b>DIN 00156221</b>	<b>ATUL BAIJAL</b> Whole Time Director <b>DIN 09046341</b>		
	<b>SETU PARIKH</b> Chief Finance Officer	<b>RAKESH KUMAR KUMAWAT</b> Company Secretary		
Place: Surat Date : 22nd May 2024	Place: Valsad Date : 22th May 2024			

<b>ECOPLAST LTD</b>				
<b>Consolidated Cash Flow Statement for the year ended 31st March, 2024</b>				
Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount (Rs.'000)		Amount (Rs.'000)	
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(1,348)		(23,354)	
Net increase / (decrease) in Short term borrowings	(6,330)		(1,01,924)	
Finance cost	(3,363)		(8,953)	
Interest paid on leased assets	(722)		(353)	
Principal payment on leased assets	(2,613)		(2,510)	
Dividends paid	(4,500)		-	
		(18,876)		(1,37,094)
<b>Net cash flow used in financing activities (C)</b>		<b>(18,876)</b>		<b>(1,37,094)</b>
<b>Net increase in Cash and cash equivalents (A+B+C)</b>		<b>73,831</b>		<b>16,589</b>
Cash and cash equivalents at the beginning of the year comprises :		26,387		9,667
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<b>Notes:</b>				
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<b>The accompanying notes from 1 to 39 are an integral part of the financial statements</b>				
As per our Report of even date. <b>For Y.B.Desai &amp; Associates</b> Chartered Accountants Firm ICAI Registration No. 102368W		<b>For and on behalf of the Board of Directors</b>		
<b>MAYANK Y. DESAI</b> Partner Membership No : 108310 UDIN:24108310BKALND7726	<b>JAYMIN B. DESAI</b> Managing Director <b>DIN 00156221</b>	<b>ATUL BAIJAL</b> Whole Time Director <b>DIN 09046341</b>		
	<b>SETU PARIKH</b> Chief Finance Officer	<b>RAKESH KUMAR KUMAWAT</b> Company Secretary		
Place: Surat Date : 22nd May 2024	Place: Valsad Date : 22th May 2024			

## 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.

### Principles of Consolidation

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

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

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

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

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

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

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

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

The Subsidiary Company in the consolidated financial statement is:

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

### 1. Statement of Significant Accounting Policies

#### Basis of Preparation:

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

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

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

## NOTES FORMING PARTS OF THE ACCOUNTS

### 1.1. Use of Judgment and Estimates:

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

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

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

### 1.2. Property, Plant and Equipment

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

## NOTES FORMING PARTS OF THE ACCOUNTS

### 1.3. Depreciation

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

1.3.1. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated 100% in the year of acquisition.

1.3.2. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.3. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.4. Depreciation is charged on additions/ deletions on pro-rata monthly basis including the month of addition/ deletion.

### 1.4. Intangible Assets

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

### 1.5. Investment Property

1.5.1. Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.

1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in consolidated Statement of Profit and Loss.

### 1.6. Borrowing Costs

1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the consolidated Statement of Profit and Loss.

### 1.7. Non current asset held for sale

1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

1.7.3. Property, Plant and Equipment and intangible assets classified as held for sale are not depreciated or amortized.

## NOTES FORMING PARTS OF THE ACCOUNTS

### 1.8. Leases

#### 1.8.1.

#### Finance Leases

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

#### 1.8.2.

#### Operating Leases

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

#### 1.8.3.

#### Determining whether an arrangement contains a lease

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

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

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

### 1.9. Impairment of Non-financial Assets

#### 1.9.1.

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

#### 1.9.2.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### 1.10. Inventories

#### 1.10.1.

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

The mode of valuing closing stock is as under:

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

#### 1.10.2.

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

#### 1.10.3.

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

#### 1.10.4.

Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.



## NOTES FORMING PARTS OF THE ACCOUNTS

### 1.11. Revenue Recognition

#### 1.11.1.

#### Sale of Goods

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

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

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

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

#### 1.11.2.

Claims are recognized on settlement. Export incentives are accounted where there is reasonable assurance that the incentive income will be received and all attached conditions will be complied with.

#### 1.11.3.

Interest income is recognized using Effective Interest Rate (EIR) method.

#### 1.11.4.

Dividend is recognized when right to receive the income is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

### 1.12. Classification of Income/ Expenses

#### 1.12.1.

Income/ expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of consolidated financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

#### 1.12.2.

Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

### 1.13. Employee benefits

#### 1.13.1.

#### Short term employment benefits

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

#### 1.13.2.

#### Defined Contribution Plans

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#### Superannuation :

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

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#### Employee's Family Pension :

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

## NOTES FORMING PARTS OF THE ACCOUNTS

- **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 avilment of leave whilst in service and qualifying salary on the date of avilment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.
- 1.13.4. **Termination Benefits:**  
Termination benefits are recognised as an expense as and when incurred.
- 1.13.5. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.
- 1.13.6. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated Statement of Profit and Loss.
- 1.13.7. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.
- 1.13.8. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.
- 1.14. Foreign Currency Transactions**
- 1.14.1. **Monetary Items**  
Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.  
  
Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.
- 1.14.2. **Non – Monetary items:**  
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- 1.15. Investment in Subsidiaries**  
Investments in subsidiary company carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary company, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated Statement of Profit and Loss.

## NOTES FORMING PARTS OF THE ACCOUNTS

### 1.16. Government Grants

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

### 1.17. Provisions, Contingent Liabilities and Capital Commitments

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

### 1.18. Fair Value measurement

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

## NOTES FORMING PARTS OF THE ACCOUNTS

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

### 1.19. Financial Assets

#### 1.19.1.

##### **Initial recognition and measurement**

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

#### 1.19.2.

##### **Subsequent measurement**

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

##### **Debt instruments at amortised cost**

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

The asset is held within a business model whose objective is

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

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

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

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

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

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

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

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

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL. After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the consolidated Statement of Profit and Loss.

### **Equity investments**

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

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

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

1.19.3.

### **De-recognition**

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

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The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

1.19.4.

### **Impairment of financial assets**

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

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

## **1.20. Financial Liabilities**

1.20.1.

### **Initial recognition and measurement**

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

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

## NOTES FORMING PARTS OF THE ACCOUNTS

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.

## NOTES FORMING PARTS OF THE ACCOUNTS

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

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

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

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

### 1.25. Earnings per share

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

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

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

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

### 1.27. Cash and Cash equivalents

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

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

### 1.28. Cash Flows

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

**ECOPLAST LIMITED**

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**2.1 Property, Plant & Equipment**

Particulars	Amount (Rs. '000)						
	Land - Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying value as on March 31, 2022	5,096	46,417	2,15,464	2,449	7,092	8,973	2,85,491
Additions	-	3,718	17,467	153	79	97	21,513
Deletions #	-	4,145	3,801	-	2,535	109	10,590
<b>Gross Carrying value as on March 31, 2023</b>	<b>5,096</b>	<b>45,990</b>	<b>2,29,130</b>	<b>2,602</b>	<b>4,635</b>	<b>8,961</b>	<b>2,96,414</b>
Additions	-	3,119	20,412	81	2,514	2,113	28,240
Deletions	-	-	4,085	-	53	2	4,140
<b>Gross Carrying value as on March 31, 2024</b>	<b>5,096</b>	<b>49,109</b>	<b>2,45,457</b>	<b>2,683</b>	<b>7,096</b>	<b>11,071</b>	<b>3,20,514</b>
Accumulated depreciation as on March 31, 2022	-	11,897	1,09,733	1,124	2,490	5,766	1,31,011
Depreciation charge for the year	-	1,987	18,205	243	597	1,037	22,069
Depreciation charged upto disposal	-	594	-	-	2,315	26	2,935
<b>Accumulated depreciation as on March 31, 2023</b>	<b>-</b>	<b>13,289</b>	<b>1,27,938</b>	<b>1,367</b>	<b>772</b>	<b>6,777</b>	<b>1,50,145</b>
Depreciation charge for the year	-	2,384	17,466	202	881	1,021	21,953
Depreciation on deletion	-	-	3,299	-	48	-	3,347
<b>Accumulated depreciation as on March 31, 2024</b>	<b>-</b>	<b>15,673</b>	<b>1,42,106</b>	<b>1,569</b>	<b>1,606</b>	<b>7,797</b>	<b>1,68,751</b>
Carrying value							
At 31st March, 2022	5,096	34,520	1,05,731	1,325	4,601	3,207	1,54,480
At 31st March, 2023	<b>5,096</b>	<b>32,700</b>	<b>1,01,192</b>	<b>1,235</b>	<b>3,863</b>	<b>2,184</b>	<b>1,46,269</b>
At 31st March, 2024	<b>5,096</b>	<b>33,436</b>	<b>1,03,352</b>	<b>1,114</b>	<b>5,491</b>	<b>3,274</b>	<b>1,51,763</b>

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

- (i) Gross Block include Rs.24,46,449 on revaluation of Fixed Assets as on 31st March, 1994 excluding Vehicles, Furniture & Fixtures and Office Equipments.
- (ii) Assets were mortgaged / hypothecated as security for borrowing from bank.
- (iii) Impairment loss has been recognized in statement of profit and loss under Impairment on PPE.

**2.2 Capital work-in-progress**

Carrying amount	Amount (Rs. '000)	
	As at 31st March, 2024	As at 31st March, 2023
Capital work-in-progress	4,828	773



**2.3 Right of use Asset**

Particulars	Amount (Rs.'000)
	<b>Buildings</b>
<b>Gross Carrying value as on March 31 , 2022</b>	<b>7,507</b>
Additions	808
Deletions	556
<b>Gross Carrying value as on March 31 , 2023</b>	<b>7,759</b>
Additions	8,970
Deletions	6,951
<b>Gross Carrying value as on March 31 , 2024</b>	<b>9,779</b>
<b>Accumulated depreciation as on March 31, 2022</b>	<b>4,085</b>
Depreciation charge for the year	2,461
Depreciation on deletion	527
<b>Accumulated depreciation as on March 31, 2023</b>	<b>6,019</b>
Depreciation charge for the year	2,871
Depreciation on deletion	6,951
<b>Accumulated depreciation as on March 31, 2024</b>	<b>1,940</b>
<b>Net Carrying value</b>	
<b>At 31st March, 2022</b>	<b>3,421</b>
<b>At 31st March, 2023</b>	<b>1,740</b>
<b>At 31st March, 2024</b>	<b>7,839</b>

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

**3 FINANCIAL ASSETS : NON CURRENT**

**3.1 LOANS : NON CURRENT**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Loans to employees - Considered Good-Unsecured	686	475
<b>Total</b>	<b>686</b>	<b>475</b>

**3.2 OTHER FINANCIAL ASSETS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Security deposits	1,500	1,500
<b>Total</b>	<b>1,500</b>	<b>1,500</b>

**4 INCOME TAX ASSET (NET)**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Advance income tax net of provisions	3,272	8,568
<b>Total</b>	<b>3,272</b>	<b>8,568</b>

**5 OTHER NON CURRENT ASSETS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Prepaid Expenses	600	646
Capital Advances	15,818	1,584
CST & VAT receivable on Assessment	68	68
<b>Total</b>	<b>16,486</b>	<b>2,298</b>

**6 INVENTORIES**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Raw materials	64,499	45,302
Raw-Materials in-transit	7,987	20,526
Work-in-progress	21,507	15,783
Finished goods	6,800	4,563
Finished Goods in-transit	18,122	13,883
Stores , Spares and Packing Materials.	5,611	4,302
Others - Scrap	17	91
<b>Total</b>	<b>1,24,542</b>	<b>1,04,450</b>

Footnote:

(i) The mode of valuation has been stated in Note 1.10.1

(ii) Inventories have been hypothecated as security for borrowings

**7 FINANCIAL ASSETS : CURRENT**

**7.1 TRADE RECEIVABLES**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
(i) Trade Receivables Considered Good-Unsecured	1,06,508	1,19,603
(ii) Trade Receivables which have a significant increase in Credit Risk	-	6
(iii) Trade receivable -credit Impaired	418	14,346
Less: Allowance for credit loss	(418)	(14,346)
<b>Total</b>	<b>1,06,508</b>	<b>1,19,609</b>

Includes Trade receivable from Related Parties : Rs. 560/- (Previous Year Rs. 1,748/-) Refer Note No. 30

**Ageing of Trade Receivable**

Particulars	Amount (Rs.'000)						
	As at 31st March, 2024						
	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	1,00,230	6,278	-	-	-	-	1,06,508
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
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	-	-	-	-	-	418	418

Particulars	Amount (Rs.'000)						
	As at 31st March,2023						
	Not Due	< 6 M	6 M to 1 Year	1 to 2 Years	2 to 3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	1,14,458	5,002	11	131	-	-	1,19,603
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	6	-	-	-	6
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	0	13,928	-	418	14,346

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

7.2 CASH AND CASH EQUIVALENTS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
(i) Balances with banks		
In current accounts	11,545	23,696
In Fixed Deposit	8,130	-
(ii) Cash in hand	177	186
<b>Total</b>	<b>19,852</b>	<b>23,882</b>

7.3 BANK BALANCES OTHER THAN (ii) ABOVE

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
In Fixed Deposit Accounts, held as margin money against Letter of Credit	80,086	2,116
Unpaid dividend accounts	466	576
<b>Total</b>	<b>80,552</b>	<b>2,691</b>

7.4 LOANS : CURRENT

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Loans to employees - Considered Good-Unsecured	603	685
<b>Total</b>	<b>603</b>	<b>685</b>

7.5 OTHER FINANCIAL ASSETS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on Fixed Deposits with Banks & Other Deposits	1,823	71
Discount Receivable	4,085	2,463
<b>Total</b>	<b>5,908</b>	<b>2,534</b>

8 OTHER CURRENT ASSETS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Balance with Government Authorities - tax credits	4,350	2,261
Prepaid expenses	6,456	6,866
Other current assets	4,130	6,447
Security deposits - Considered good	11	120
<b>Total</b>	<b>14,947</b>	<b>15,694</b>

9 ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Property, Plant and equipment		
Plant and machinery retired from active use (Refer Note 9.1)	7,053	8,731
<b>TOTAL</b>	<b>7,053</b>	<b>8,731</b>

9.1 The Subsidiary Company has classified non-current assets comprising of Net block value of building and other Misc assets as held for sale. Subsidiary Company has discontinued its existing activities in a Building Constructed on Leasehold Land and has surrender various licenses required for the said activities on 7th December, 2019, and subsidiary Company has managed to surrender its all assets to Assam Industrial Infrastructure Development Corporation AIIDC at on April 10, 2024. The Subsidiary Company has measured these assets at Carrying amount only.

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

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

## 10 EQUITY SHARE CAPITAL

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised</b> 1,00,00,000 Equity Shares of Rs.10/- each	1,00,000	1,00,000
<b>Issued, Subscribed and Paid up</b> 30,00,000 Equity Shares of Rs. 10/- each fully paid up	30,000	30,000
<b>Total</b>	<b>30,000</b>	<b>30,000</b>

### Notes:

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

i) Authorised share capital:	Amount (Rs.'000)	
	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 1st April, 2023	1,00,00,000	1,00,000
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>1,00,00,000</b>	<b>1,00,000</b>

Issued, Subscribed and paid up share capital:	Amount (Rs.'000)	
	TOTAL(SHARES)	TOTAL(AMT)
Balance as at 1st April, 2023	30,00,000	30,000
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>30,00,000</b>	<b>30,000</b>

- ii) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share
- iii) The Paid-up Capital includes 1,500,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus shares by capitalising Rs.5,000,000 out of General Reserve and Rs.10,000,000 out of Revaluation Reserve prior to listing of Company's Equity Shares.
- iv) The holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.
- v) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.  
Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.  
The Company declares and pays dividends in Indian rupees after deducting applicable taxes.
- vi) During the Year there are no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of Shares Outstanding at the beginning of the reporting period.
- vii) **Details of shares held by each shareholder holding more than 5% shares in the Company:**

Equity share of Rs. 10 each fully paid up with voting rights	% Holding	Number of fully paid equity shares
Mrs Amita J.Desai As at 31st March, 2023 <b>As at 31st March, 2024</b>	18.69% 18.69%	5,60,760 5,60,760
Mrs Charulata N.Patel As at 31st March, 2023 <b>As at 31st March, 2024</b>	14.03% 14.33%	4,20,752 4,29,885
Stuti J.Desai As at 31st March, 2023 <b>As at 31st March, 2024</b>	5.20% 5.20%	1,55,960 1,55,960
Silver Stream Properties LLP As at 31st March, 2023 <b>As at 31st March, 2024</b>	15.89% 15.89%	4,76,827 4,76,827

### (viii) Details of Shareholding of Promoters / Promoters Group

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
<b>Promoters</b>						
Amita Jaymin Desai	5,60,760	18.69	0.00	5,60,760	18.69	0.62
Silver Stream Properties LLP	4,76,827	15.89	0.00	4,76,827	15.89	0.00
Charulata Nitinbhai Patel	4,29,885	14.33	0.30	4,20,752	14.03	0.67
Pheroze Pestonji Kharas	980	0.03	0.00	980	0.03	0.00
<b>Promoter Group</b>						
Stuti J Desai	1,55,960	5.20	0.00	1,55,960	5.20	0.00
Jaymin Balvantrai Desai	1,22,335	4.08	0.00	1,22,335	4.08	0.00
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	0.00
Bankim Bhupendrabhai Desai	8,640	0.29	0.00	8,640	0.29	0.29
<b>Total</b>	<b>20,61,107</b>	<b>68.70</b>		<b>20,51,974</b>	<b>68.40</b>	

## 11 OTHER EQUITY

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>(a) Securities premium</b>		
Balance as per last Balance Sheet	30,000	30,000
<b>Closing Balance</b>	<b>30,000</b>	<b>30,000</b>
<b>(b) General reserve</b>		
Balance as per last Balance Sheet	50,781	50,781
Add: Transferred from surplus in Statement of Profit and Loss	-	-
<b>Closing Balance</b>	<b>50,781</b>	<b>50,781</b>
<b>(c) Retained Earnings</b>		
Balance as per last Balance Sheet	2,28,535	1,84,082
Add: Profit for the year	91,729	44,454
	<b>3,20,264</b>	<b>2,28,535</b>
<b>Less: Appropriations</b>		
Payment of final Dividend to equity shareholders (Rs 1.50 per share)	4,500	-
<b>Closing Balance</b>	<b>3,15,764</b>	<b>2,28,535</b>
<b>(d) Other Comprehensive income</b>		
Balance as at beginning of the year	(6,265)	(7,900)
Add: Remeasurement of Net defined benefit liability/(asset) (net of tax)	(698)	1,635
	<b>(6,963)</b>	<b>(6,265)</b>
<b>Total</b>	<b>3,89,583</b>	<b>3,03,052</b>

### Securities premium

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

### General Reserve

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

### Retained earnings

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

### Other Comprehensive income

These are actuarial gains/ losses on employee benefit obligations.

## 12 FINANCIAL LIABILITIES - NON CURRENT

### 12.1 NON CURRENT BORROWINGS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Secured Loans</b>		
Term Loan from Bank	-	2,167
Car Loan under Hire Purchase	1,697	878
<b>Total</b>	<b>1,697</b>	<b>3,045</b>

#### Details:

i) The above are valued at Amortized cost.

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

Particulars	Amount (Rs.'000)	
	Rate of Interest (p.a.)	Amount in Rs.
Car Loan under Hire Purchase	9.50%	1,697
		<b>1,697</b>

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

Particulars	Amount (Rs.'000)		
	Maturity Profile (Amount in Rs.)		
	1-2 years	3-4 years	> 4 years
Term Loan from Bank & Others	636	768	293

### 12.2 LEASE LIABILITIES - NON CURRENT

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Lease rent Liability	5,242	676
<b>Total</b>	<b>5,242</b>	<b>676</b>

13 PROVISIONS - NON CURRENT

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits:		
Provision for compensated absences	11,004	9,677
<b>Total</b>	<b>11,004</b>	<b>9,677</b>

14 DEFERRED TAX LIABILITIES (NET)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Tax effect of items constituting deferred tax liability</b>		
On difference between book balance and tax balance of fixed assets	12,162	12,688
<b>Tax effect of items constituting deferred tax liability</b>	<b>12,162</b>	<b>12,688</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Provision for compensated absences, gratuity and other employee benefits	3,730	3,614
Provision for doubtful debts / advances	105	3,991
Provision for diminution in the value of investments	1,586	1,586
On Account of Retiring Gratuity	286	767
Adjustment to Right to use asset	2,056	504
<b>Tax effect of items constituting deferred tax assets</b>	<b>7,764</b>	<b>10,462</b>
<b>Net deferred tax (Liability) / Asset</b>	<b>(4,398)</b>	<b>(2,226)</b>

15 FINANCIAL LIABILITIES - CURRENT

15.1 BORROWINGS (CURRENT)

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>From banks</b>		
Secured		
Current maturities of long-term Secured Debts (Refer Note 7.2)	1,154	7,484
<b>Total</b>	<b>1,154</b>	<b>7,484</b>

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

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

The rate of interest of the said facility is sanctioned at 11.50% Per annum.

(ii) The above are valued at Amortized cost.

15.2 TRADE PAYABLES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Trade payables:</b>		
Micro, Small and Medium Enterprises	15,555	11,910
Related Party	1,283	1,919
Others	68,971	49,832
<b>Total</b>	<b>85,809</b>	<b>63,662</b>

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

Amount due to Micro, Small and Medium Enterprises as on 31st March, 2024 are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Principal Amount due and remaining unpaid	-	10
Interest due on above and the unpaid interest	-	10
Interest paid during the year	-	-
Payment made beyond the appointed day during the year	-	6,373
Interest due and payable for the period of delay	-	58
Interest accrued and remaining unpaid	-	58
Amount of further interest remaining due and payable in succeeding years	-	58

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	Amount (Rs.'000)					
	As at 31st March, 2024					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
(i) MSME	15,555	-	-	-	-	15,555
(ii) Others	55,346	14,602	-	-	305	70,254
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Particulars	As at 31st March, 2023					
	Not Due	Less than 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
	(i) MSME	11,901	10	-	-	-
(ii) Others	50,458	167	-	820	306	51,751
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

# Ecoplast Ltd

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Notes to Consolidated Financial Statements for the year ended 31st March, 2024

## 15.3 OTHER FINANCIAL LIABILITIES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Unclaimed dividends	467	576
Others - Net Salaries & Wages Payable	1,803	1,682
<b>Total</b>	<b>2,270</b>	<b>2,258</b>

## 15.4 LEASE LIABILITIES - CURRENT

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
Lease rent Liability	2,928	1,135
<b>Total</b>	<b>2,928</b>	<b>1,135</b>

## 16 OTHER CURRENT LIABILITIES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Other payables</b>		
Statutory dues payable	1,990	4,673
Advances from customers	6,448	8,492
<b>Total</b>	<b>8,438</b>	<b>13,165</b>

## 17 PROVISIONS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits:</b>		
Provision for Bonus	3,274	2,833
Provision for Compensated Absences	542	582
Provision for Gratuity	-	105
<b>Total</b>	<b>3,816</b>	<b>3,520</b>

ECOPLAST LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

**18 REVENUE FROM OPERATIONS**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Sale of products		
<u>Manufactured goods</u>		
Plastic Film	11,18,281	9,33,831
Others	5,269	5,828
<u>Traded goods</u>		
Others	6,591	16,980
Other operating revenues		
Sale of Scrap	2,388	1,342
Render Services	1,885	4,307
<b>Total</b>	<b>11,34,414</b>	<b>9,62,288</b>

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

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue as per contracted price	11,43,909	9,70,172
<b>Adjustments</b>		
Sales return	8,089	6,976
Sales Price/ Quantity Difference/ Quality claims	512	648
Development Cost - free Samples	313	202
Discounts	581	58
<b>Revenue from contract with customers</b>	<b>11,34,414</b>	<b>9,62,288</b>

**19 OTHER INCOME**

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
<b>Interest income</b>		
Interest from banks on Fixed Deposits	3,402	164
Interest on Deposit with Dakshin Gujarat Vij Co Ltd. & Others	236	128
Interest on Employees Loan	49	81
Interest on Income Tax Refund	1	-
<b>Other non-operating income</b>		
Profit on sale of fixed assets	765	21,884
Liabilities / provisions no longer required written back (net)	44	101
Insurance Claim Received	260	9,652
Gain on foreign currency transactions and translation (net)	4,348	1,673
Miscellaneous income	6,631	5,102
Sundry Creditors W.back (net)	522	266
Duty Drawback on Export Sales	777	-
Rodtep-Benefits Received	883	-
Recovery of Bad debts	1,854	-
<b>Total</b>	<b>19,771</b>	<b>39,050</b>



20 COST OF MATERIALS CONSUMED

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Opening Stock	45,394	76,649
Add: Purchases	7,39,565	6,29,258
Less: Closing Stock	64,516	45,394
<b>Total</b>	<b>7,20,443</b>	<b>6,60,514</b>

21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Inventories at the end of the year:		
Finished goods	24,921	18,092
Work-in-progress	21,507	15,783
Stock in-trade	-	354
	46,428	34,228
Inventories at the beginning of the year:		
Finished goods	18,092	18,923
Work-in-progress	15,783	17,191
Stock in-trade	354	1,659
	34,228	37,772
<b>Net (increase) / decrease</b>	<b>(12,200)</b>	<b>3,544</b>

22 EMPLOYEE BENEFIT EXPENSES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Salaries, Wages, Bonus and Other Allowances	98,502	83,291
Contributions to Provident and other funds	11,814	9,299
Staff Welfare expenses	1,103	681
<b>Total</b>	<b>1,11,419</b>	<b>93,271</b>

23 FINANCE COSTS

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Interest expense	321	6,153
Other Borrowing costs	3,042	2,801
<b>Total</b>	<b>3,363</b>	<b>8,953</b>

24 OTHER EXPENSES

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Consumption of Stores and Spare parts	1,722	1,716
Consumption of Packing Materials	38,761	25,968
Consumption of Printing Cylinders	3,207	1,742
Power and fuel	57,115	49,239
Conversion Charges Paid	11,191	3,195
Repairs and Maintenance - Buildings	2,098	3,060
Repairs and Maintenance - Machinery	5,695	4,967
Repairs and Maintenance - Others	439	501
Insurance	5,985	5,230
Rates and taxes	152	207
Plastic Waste Management Expense	3,323	1,294
Network Charges	509	529
Travelling and Conveyance	1,770	1,846
Printing and Stationery	670	522
Freight and forwarding	20,950	15,130
Sales Commission	2,110	2,254
Sales discount	3,701	197
Business promotion	61	89
Donations and contributions	75	300
CSR Expenditure	-	262
Motor Car Expenses	760	891
Security Charges	2,477	2,215
Directors Sitting Fees	660	510
Commission to Non-Executive Directors	1,228	426
Legal and Professional	6,306	5,289
Payments to Auditors	852	778
Rent including lease rentals	60	71
Loss on Sales / Discarded Assets	25	-
Provision for doubtful trade receivables	-	47
Impairment of Plant and Machinery	-	2,123
Other Miscellaneous Expenses	7,830	5,152
<b>Total</b>	<b>1,79,732</b>	<b>1,35,751</b>

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Payments to the auditors comprises		
(a) To statutory auditors		
Audit Fees	470	470
Tax Audit Fees	80	80
Certification and Other Services	181	160
Reimbursement of Expenses	121	68
<b>Total</b>	<b>852</b>	<b>778</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**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.

<b>i. Profit attributable to Equity holders of Company</b>		<b>Amount (Rs.'000)</b>	
<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March,2023</b>	
Profit attributable to equity holders of the company for basic and diluted earnings per share	91,729	44,454	

<b>ii. Weighted average number of ordinary shares</b>			
<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March,2023</b>	
Number of issued equity shares	30,00,000	30,00,000	
Nominal Value per share	10	10	
Weighted average number of shares at 31st March for basic and diluted earnings per share	30,00,000	30,00,000	
<b>Basic and Diluted earnings per share (in Rs.)</b>	<b>30.58</b>	<b>14.82</b>	

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

26 Tax Expense

(a) Amounts recognised in profit and loss

Amount (Rs.'000)

Particulars	Amount (Rs.'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Current tax expense</b>		
Current year	28,252	8,472
Short/(Excess) provision of earlier years	(631)	(689)
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	2,020	9,741
<b>Tax expense recognised in the income statement</b>	<b>29,641</b>	<b>17,524</b>

(b) Amounts recognised in other comprehensive income

Amount (Rs.'000)

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	(546)	(152)	(698)	1,280	355	1,635
	<b>(546)</b>	<b>(152)</b>	<b>(698)</b>	<b>1,280</b>	<b>355</b>	<b>1,635</b>

(c) Reconciliation of effective tax rate

Amount (Rs.'000)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amounts	%	Amounts
<b>Profit before tax</b>		1,21,370		61,978
Less: Profit of subsidiary on which tax is not payable		(960)		49
<b>Net profit on which tax is payable</b>		1,20,410		62,026
Tax using the Company's domestic tax rate	25.17%	30,305	27.82%	17,242
<b>Tax effect of:</b>				
Expenses not deductible for tax purposes	-1.70%	(2,053)	-14.14%	(8,769)
Short/(Excess) provision of earlier years	-0.52%	(631)	-1.11%	(689)
Others	1.68%	2,020	15.70%	9,741
<b>Effective income tax rate</b>	<b>24.62%</b>	<b>29,641</b>	<b>28.28%</b>	<b>17,524</b>

(d) Movement in deferred tax

Amount (Rs.'000)

Particulars	As at 31st March, 2023				As at 31st March, 2024		
	Net balance 31 Mar, 2023	Recognized in profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax asset	Deferred tax liability
<b>Tax effect of items constituting deferred tax</b>							
On difference between book balance and tax balance of fixed assets	12,688	(526)	-	-	12,162	-	12,162
Provision for compensated absences, gratuity and other employee benefits	(3,614)	(268)	152	-	(3,730)	3,730	-
Provision for doubtful debts / advances	(3,991)	3,886	-	-	(105)	105	-
Provision for diminution in the value of investments	(1,586)	-	-	-	(1,586)	1,586	-
On Account of Retiring Gratuity	(767)	481	-	-	(286)	286	-
Adjustment to Right to use asset	(504)	(1,552)	-	-	(2,056)	2,056	-
<b>Tax (Assets) / Liabilities (Net)</b>	<b>2,226</b>	<b>2,020</b>	<b>152</b>	<b>-</b>	<b>4,398</b>	<b>7,764</b>	<b>12,162</b>

## 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:

Amount (Rs.'000)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Borrowings	2,850	10,528
Less: Cash and bank balances	19,852	23,882
<b>Net debts</b>	<b>(17,002)</b>	<b>(13,353)</b>
Total equity	4,19,583	3,33,052
<b>Net debt to equity ratio</b>	<b>-4.05%</b>	<b>-4.01%</b>

#### B Fair value measurement hierarchy:

Amount (Rs.'000)

Particulars	As at 31st March, 2024				As at 31st March, 2023			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>At FVTPL</b>	-	-	-	-	-	-	-	-
<b>At FVTOCI</b>	-	-	-	-	-	-	-	-
<b>At Amortized cost</b>								
Trade Receivables	1,06,508	-	-	-	1,19,609	-	-	-
Cash and cash equivalents	19,852	-	-	-	23,882	-	-	-
Bank balances other than above	80,552	-	-	-	2,691	-	-	-
Loans	1,289	-	-	-	1,159	-	-	-
Other financial assets	7,408	-	-	-	4,034	-	-	-
<b>Financial liabilities</b>								
<b>At FVTPL</b>	-	-	-	-	-	-	-	-
<b>At Amortized cost</b>								
Borrowings	2,850	-	-	-	10,528	-	-	-
Trade payables	85,809	-	-	-	63,662	-	-	-
Other financial liabilities	2,270	-	-	-	2,258	-	-	-
Lease Liability	8,170	-	-	-	1,811	-	-	-

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, 2023.

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, 2024

### 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 analyse 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.1,06,508/- as at March 31 2024 and Rs.1,19,609/- as at March 31, 2023.

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

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

The Company uses an allowance matrix to measure the expected credit losses of trade receivables.

The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

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

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Not due	1,00,230	1,14,458
1 - 180 Days	6,278	5,002
181-360 Days	-	6
361-500 Days	-	14,070
More Than 500 days	418	418
Allowance for doubtful trade receivables (Expected credit loss allowance)	(418)	(14,346)
<b>Total</b>	<b>1,06,508</b>	<b>1,19,609</b>

#### Movement in provisions of doubtful debts

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
Opening provision	14,346	14,299
Additional provision made	-	47
Provision Reversal	(13,928)	-
<b>Closing provision</b>	<b>418</b>	<b>14,346</b>

#### Cash and cash equivalents

The Company held cash and cash equivalents of Rs.100,403 thousands as at 31st March, 2024 (31st March, 2023 : Rs. 26,573 thousands). The cash and cash equivalents are held with banks.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**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:

Particulars	Amount (Rs.'000)			
	As at 31st March,2023			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
<b>Non-derivative financial liabilities</b>				
Borrowings	10,528	7,484	3,045	-
Trade and other payables	63,662	63,662	-	-
Other financial liabilities	2,258	2,258	-	-
Lease liabilities	1,811	1,135	676	-
	<b>78,259</b>	<b>74,538</b>	<b>3,721</b>	<b>-</b>

Particulars	Amount (Rs.'000)			
	As at31st March, 2024			
	Carrying amount			
	Carrying amount	Within one year	One to five years	More than five years
<b>Non-derivative financial liabilities</b>				
Borrowings	2,850	1,154	1,697	-
Trade and other payables	85,809	85,809	-	-
Other financial liabilities	2,270	2,270	-	-
Lease liabilities	8,170	2,928	5,242	-
	<b>99,100</b>	<b>92,161</b>	<b>6,939</b>	<b>-</b>

**Ecoplast Limited**

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**C Market risk**

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

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

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

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

Particulars	(In'000)			
	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at 31st March, 2024	As at 31st March,2023	As at 31st March, 2024	As at 31st March,2023
In US Dollars (USD)	255	189	42	37

Particulars	Amount (Rs.'000)			
	Liabilities (INR)		Assets (INR)	
	As at 31st March, 2024	As at 31st March,2023	As at 31st March, 2024	As at 31st March,2023
In US Dollars (USD)	21,405	15,644	3,502	3,049

**Foreign currency sensitivity analysis**

The Company is mainly exposed to the currency : USD

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

**Impact on profit or loss and total equity**

Particulars	USD impact - Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March,2023
	Increase in exchange rate by 5%	(895)
Decrease in exchange rate by 5%	895	(630)

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

**D Interest rate risk**

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



**Ecoplast Limited**

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**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, 2024**

**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. 5,601 thousands (As at 31st March, 2023 : Rs.5,365 thousands ) for Provident Fund contributions and Rs. 3,221 thousands (As at 31st March, 2023 : Rs.2,869 thousands) for Superannuation Fund contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**[B] Defined benefit plan:**

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

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

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

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

Investment risk:

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

Interest risk:

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

Longevity risk:

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

Salary risk:

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

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2021.

a) Changes in present value of obligations (PVO)	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Present Value of Benefit Obligation at the Beginning of the Period	35,185	38,018
Interest cost	2,646	1,718
Past Service Cost	-	(2,045)
Current service cost	1,853	1,634
Benefits paid from the fund	(1,724)	(3,415)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	798	(816)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(60)	90
<b>PVO at the end of the year</b>	<b>38,699</b>	<b>35,185</b>

b) Fair value of plan assets:	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Fair value of plan assets at the beginning of the year	37,943	20,672
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excl. interest income	192	554
Interest income	2,853	1,495
Contributions by the employer	571	18,637
Benefits paid from the fund	(1,724)	(3,415)
<b>Fair value of plan assets at the end of the year</b>	<b>39,835</b>	<b>37,943</b>

c) Amount to be recognized in the balance sheet:	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
PVO at the end of period	38,699	35,185
Fair value of plan assets at end of the period	39,835	37,943
Funded status (Surplus)	1,136	2,758
<b>Net Asset Recognized in the Balance Sheet</b>	<b>1,136</b>	<b>2,758</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

d) Expense recognized in the statement of profit or loss:	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Current service cost	1,853	1,634
Net interest Cost	(207)	224
Past Service Cost	-	(1,590)
Expense recognized in the statement of profit or loss	1,646	268

e) Other comprehensive income (OCI):	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Actuarial (Gain)/Loss on Obligation for the period	739	(726)
Return on plan assets excluding Interest Income	(192)	(554)
Net (Income)/Expense For the Period Recognized in OCI	546	(1,280)

f) Actual return on the plan assets:	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
	3,045	2,048

g) Category of Assets	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Insurance Fund	39,835	37,943

h) Assumption:	Amount (Rs.'000)	
	Gratuity - Funded	
	31st March, 2024	31st March, 2023
Expected Rate on Plan Assets	7.22%	7.52%
Rate of Discounting	7.22%	7.52%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate during employment	IALM(2012-14)	IALM(2012-14)
Mortality Rate After employment	N.A	N.A

**Assumption:**

**1. Analysis of Defined Benefit Obligation**

The number of members under the scheme have Increased by 7.63% ( P.Y. by decreased 11.94%) However the total salary Increased by 14.45% (P.Y. decreased by 9.37%) during the accounting period.

**2. Expected rate of return basis**

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

**3. Description of Plan Assets**

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

**j) Expected Payout:**

Year	Amount (Rs.'000)	
	PVO payouts	
	31st March, 2024	31st March, 2023
1st Following Year	2,275	2,217
2nd Following Year	1,513	2,184
3rd Following Year	1,692	1,410
4th Following Year	2,031	1,582
5th Following Year	2,011	1,922
Sum of years 6 to 10	32,877	30,045
Sum of years 11 and above	29,428	29,536

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

### k) Sensitivity analysis

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

Particulars	Amount (Rs.'000)	
	31st March, 2024	31st March, 2023
Projected Benefit Obligation on Current Assumptions	38,699	35,185
Delta Effect of +1% Change in Rate of Discounting	(2,556)	(2,416)
Delta Effect of -1% Change in Rate of Discounting	2,878	2,725
Delta Effect of +1% Change in Rate of Salary Increase	2,364	2,294
Delta Effect of -1% Change in Rate of Salary Increase	2,225	(2,124)
Delta Effect of +1% Change in Rate of Employee Turnover	(4)	24
Delta Effect of -1% Change in Rate of Employee Turnover	4	(30)

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

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

Particulars	Note	Amount (Rs.'000)	
		As at 31st March, 2024	As at 31st March, 2023
<b>Total employee benefit liabilities</b>			
Other current assets	8	1,136	2,758

### (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 2024 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, 2024**

**30 Related party transactions**

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

**l) Name of the related party and nature of relationship: -**

Sr No	Particulars	Amount (Rs.'000)	
		2023-24	2022-23
a)	<b>Key Managerial Personnel (KMP)</b>		
	Mr. J.B.Desai : Managing Director Remuneration Paid	11,152	10,762
	Mr.Atul Bajjal : Whole Time Director Remuneration Paid	5,941	5,720
	Mr. Vaibhav kumar Totla : Chief Finance Officer (Resigned w.e.f. 03.11.23) Remuneration Paid	1,113	1,852
	Mr. Setu Parikh : Chief Finance Officer (Appointed w.e.f. 04.11.23) Remuneration Paid	846	-
	Mr. Rakesh Kumawat : Company Secretary Remuneration Paid	1,029	891
b)	<b>Directors</b>		
	Mr. M. B. Desai : Chairman /Independent Director Sitting Fees Paid	230	190
	Commission Payable	409	142
	Mrs. C. N. Patel : Non Executive Director Sitting Fees Paid	200	130
	Commission Payable	409	142
	Mr. B. M. Desai : Independent Director Sitting Fees Paid	230	190
	Commission Payable	409	142
c)	<b>Others :</b>		
	Mr. Aditya N.Patel : Relative of Director Remuneration Paid	1,408	1,280
	Mrs. Amita J.Desai : Relative of Director Rent Paid	1,531	1,305
	Mr. Jay Shroff : Relative of Director Rent Paid	1,607	1,370

Sr No	Particulars	Amount (Rs.'000)	
		2023-24	2022-23
d)	<b>Kunal Plastics Private Limited (Propack Industries)</b>		
	Sales of Goods	13,801	19,193
	Purchase of Goods	11,378	7,947
	Render Services	161	2,643
	Receiving Services	7,921	3,000
	Balance Receivable	560	1,748
	Balance Payable	1,283	1,919

Transactions with KMP		Amount (Rs.'000)	
Sr No	Particulars	2023-24	2022-23
1	Short Term benefits	20,081	19,225
2	Post employment benefits	-	-
3	Other Long term benefits	-	-
4	Termination benefits	-	-
5	Share based payment	-	-

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

**Footnotes:**

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

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**31 (i) Capital Commitment**

Particulars	Amount (Rs.'000)	
	Year ended	
	As at 31st March, 2024	As at 31st March,2023
On account of Capital Commitments ( Net of advances)	42,540	4,721
<b>TOTAL</b>	<b>42,540</b>	<b>4,721</b>

**(ii) Contingent liabilities**

Particulars	Amount (Rs.'000)	
	Year ended	
	As at 31st March, 2024	As at 31st March,2023
Show cause notice has been received from GST department for financial year 2018-19 to pay the GST liability along-with interest and penalty	413	-
Bank Guarantee given ( Dakshin Gujrat Vij Co Ltd.)	7,291	7,291
<b>TOTAL</b>	<b>7,704</b>	<b>7,291</b>

**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, 2024**

**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.9,905 thousands (Previous year Rs.9,905 thousands) in terms of the said Scheme. As on 31st March 2024 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 recognised in the Statement of Profit and Loss Account for the year is Rs. 3,395 thousands (31st March, 2023 : Rs. 2,884 thousands).

**(i) The movement of lease liability during the year**

Particulars	Amount (Rs'000)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Opening Balance</b>	1,811	3,544
Additions during the year	8,970	808
Finance costs incurred during the year	722	353
Payments of Lease liabilities	(3,335)	(2,894)
<b>Closing balance</b>	<b>8,170</b>	<b>1,811</b>

**(ii) Maturity analysis of lease liabilities**

Particulars	Amount (Rs'000)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Maturity Analysis of contractual undiscounted cash flows</b>		
Less Than one year	2,928	1,135
One to five years	5,242	676
<b>Total undiscounted lease liability</b>	<b>8,170</b>	<b>1,811</b>
<b>Balances of lease liability</b>		
Non current lease liability	5,242	676
current lease liability	2,928	1,135
<b>Total lease liability recognised as financial liabilities</b>	<b>8,170</b>	<b>1,811</b>

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.

In Subsidiary Company, a non-adjusting events occurred after the reporting period. Letter received from AIIDC dated 10th April, 2024 for handing over the land along with building, which states no further liability of lease rent will arise in future. Accordingly, future lease payments are not considered.

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The borrowing rate of 9.6% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

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

Particulars	Amount (Rs.'000)	
	As at 31st March, 2024	As at 31st March, 2023
a) The gross amount required to be spent by the Company during the year	-	-
b) The amount spent during the year on CSR activities is as follows:	-	-
Amount spent during the year on :	-	-
1) Construction/Acquisition of any asset -	-	-
2) On purpose other than (1) above	-	-

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

**37 Event occurring after Balance Sheet date:**

The Board of Directors, at its meeting held on 22nd May, 2024 have recommended a final dividend of Rs. 3/- per equity share of face value Rs. 10/- each for the financial year ended 31st March, 2024. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately Rs.9,000 thousands for dividend. (Previous Year Rs. 1.50 per Equity Share resulting in to total Outgo of Rs.4,500 thousands).

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

### 38 Additional Regulatory Information

- 1 The Company does not have any transactions with companies struck off.
- 2 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- 3 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 4 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the company (Ultimate Beneficiaries) or ly Ultimate Beneficiaries or a ae provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 5 The company does not not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 6 The Quarterly returns / Statements of current assets filed by the company with the banks in relation to secured borrowings, wherever applicable, are in agreement with the books of accounts.
- 7 The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 8 No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

### 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 22nd May, 2024.

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:24108310BKALND7726

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

**ATUL BAIJAL**  
Whole Time Director  
DIN 09046341

**SETU PARIKH**  
Chief Finance Officer

**RAKESH KUMAR KUMAWAT**  
Company Secretary

Place: Surat  
Date : 22nd May 2024

Place: Valsad  
Date : 22th May 2024



**ECOPLAST LIMITED**

Regd. Office: National Highway No. 8, Water Works Cross Road, Abrama,  
Valsad- 396001, Gujarat, CIN: L25200GJ1981PLC004375,  
Tel: 9879554138, E-mail: investor@ecoplastindia.com  
Website: www.ecoplastindia.com

**Form No. MGT-11  
Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of  
the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) _____
Registered address: _____
E-mail Id: _____
Folio No./ Client ID: _____
DP ID No. _____

I / We, being the member(s) of \_\_\_\_\_ equity shares of the above-named company,  
hereby appoint

1. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him / her:
2. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him / her:
3. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him / her:

as my / our proxy to attend and vote for me/ us and on my/ our behalf at the 42<sup>nd</sup> Annual  
General Meeting of the Company at "Shantivan Resort", Atul Valsad Road, Vashiyar, Valsad-  
396001, Gujarat" on Friday, August 16, 2024 at 3.30 P.M., and at any adjournment thereof, in  
respect of such resolutions set out in the Notice convening the meeting, as are indicated  
below:

S.No.	Resolutions	For	Against
<b>Ordinary Business:</b>			
1.	To Consider and adopt: a) the audited financial statement of the Company for the Financial Year ended on 31 <sup>st</sup> March 2024, together with the Directors' and Auditor's Report thereon; and b) the audited consolidated financial statement of the Company for the financial year ended on 31 <sup>st</sup> March 2024, together with the Auditor's Report thereon.		
2.	To declare dividend on equity shares for the financial year ended 31 <sup>st</sup> March, 2024		
3.	To appoint a director in place of Mr. Atul Bajjal (DIN: 09046341) who retires by rotation and, being eligible, offers himself for re-appointment.		
<b>Special Business:</b>			
4.	To consider the appointment of Mr. Aditya Nitinkumar Patel (DIN: 09220379) as a Director.		
5.	To consider the appointment of Mr. Aditya Nitinkumar Patel (DIN: 09220379) as a Whole-time Director and payment of remuneration to him.		
6.	To consider the re-appointment of Mr. Jaymin Desai (DIN: 00156221) as Managing Director of the company and payment of remuneration to him.		
7.	To consider the appointment of Mr. Ravi Amulbhai Mehta (DIN: 09220091) as a Director.		
8.	To consider the appointment of Mr. Ravi Amulbhai Mehta (DIN: 09220091) as a Whole-time Director and payment of remuneration to him.		
9.	To consider the appointment of Mr. Jay Ketan Shroff (DIN: 07712312) as a Non-Executive Director.		
10.	To consider the appointment of Mr. Bikash Ranjan Tarafdar (DIN: 01690748) as an Independent Director.		
11.	To consider the appointment of Mr. Monil Vijay Shah (DIN: 10619958) as an Independent Director.		
12.	To consider the ratification of Remuneration of Cost Auditors.		
13.	To consider the payment of Commission to Non-Executive Directors of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

Affix  
Revenue  
Stamp of  
Rs. 1/-

Signature of Shareholder

Signature of Proxy Holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

**ECOPLAST LIMITED**

Regd. Office: National Highway No. 8, Water Works Cross Road,  
Abrama, Valsad- 396001 Gujarat, CIN: L25200GJ1981PLC004375  
Tel: 9879554138, E-mail: investor@ecoplastindia.com  
Website: www.ecoplastindia.com

**42<sup>ND</sup> ANNUAL GENERAL MEETING - ATTENDANCE SLIP**

Name of the member(s) :
Registered address:
Folio/ DP ID- Client ID NO.* :
No. of Shares held :

\*Applicable for the member(s) holding shares in Electronic Form.

I hereby record my presence at the 42<sup>ND</sup> ANNUAL GENERAL MEETING of the Company at "Shantivan Resort', Atul Valsad Road, Vashiyar, Valsad- 396001, Gujarat" on Friday, August 16, 2024 at 3.30 P.M..

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.