

3rd September, 2022

TO,
The Manager (Department of Corporate Services),
Bombay Stock Exchange Limited-SME Platform,
Phiroze Jeejee Bhoy Towers,
Dalal Street, Mumbai-400001

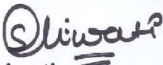
REF: Company Code 537785 (BSE)
Subject: Annual Report for the F.Y 2021-2022

Dear Sir/ Madam,

Pursuant to Regulation 30 and 34 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the Financial Year 2021-2022 along with the Notice of 22nd Annual General Meeting of the Company scheduled to be held on Friday, September 30, 2022 at 01:30 PM to transact the business as set out in the notice.

This is for your reference and record.

Thanking you,

Yours Faithfully **For Race Eco Chain Limited**
For Race Eco Chain Limited

Shiwati
Company Secretary & Compliance Officer

Enclosure: As above

Race Eco Chain Limited

Annual Report

2021-22



Inspiring the R3 Mantra

Being  Responsible

Address: Unit No.203, Plaza- P 3, Central Square, Bara Hindu Rao, Delhi - 110006, India
CIN: L17101DL1999PLC102506

Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements that we periodically make, contain forward-looking statements that set out anticipated results based on the company's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. Although we are confident to achieve the above stated forward looking statements will be realized and we believe we have been prudent in our assumptions. The achievement of results is subject to risks and uncertainties in future. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Corporate Information

Board of Directors

- Sunil Kumar Malik Managing Director & Chairman
- Anshu Agarwal Whole Time Director & CFO
- Pranav Vasani Director
- Rama Nand Gupta Director
- Sanjay Kukreja Independent Director
- Anil Kumar Bhel Independent Director
- Nisha Jain Independent Director

Statutory Auditors

- Garg Arun & Associates
Chartered Accountants
4832/24, Flat No-106, Ansari Road, Darya Ganj, New Delhi - 110002

Internal Auditors

- M/s. SSAR & Associates

Secretarial Auditor

- M/s. R. Miglani & Co.,

Company Secretary & Compliance officer

- Shiwati Gandhi

Registrar & Share Transfer Agent

- Big share Services Private Limited
1st Floor, Bharat Tin Works Building,
Marol Maroshi Road, Andheri (East), Mumbai - 400059

CIN No. L17101DL1999PLC102506

Registered Office

Unit No. 203, Plaza-3, Central Square, Bara Hindu Rao, Delhi - 110006

Principal Banker

City Union Bank

Managing Director – Race Eco Chain Ltd.



Mr. Sunil Malik is a Delhi born & raised soul who is a proud Bhartiya Vidhya Bhawan alumni and a successor of Delhi University batch of 1992 followed by pursuing International Trade from the school of S P Management.

He started his career as a Quality Controller Expert for export houses which led him to his entrepreneurship establishing a state-of-the-art export house servicing the global for various fabrics and similar segment.

The company (Anisha Impex) has grown exponentially for more than two decades now and stands tall as on date with spectacular numbers on all fronts.

Note From the Managing Director

Dear Shareholders Family,

We trust that this document finds you in the best of your health and high spirits. At the outset, let us begin by extending our warm wishes for successfully managing and bouncing back amidst the challenging Covid times we have all been through and still struggling in some capacity.

At RACE, it is our constant endeavour to channelize all our energies towards strengthening the entire Supply Chain in the Waste Management space and build the requisite to Organize and Standardize the practices & processes. The Mantra of R3 – Reduce, Reuse and Recycle is the guiding star to us and we aspire to do all what we can to live by & inspire. For us, the scope and visible opportunity has a wide spectrum ranging from educating the need, consent to understanding and commitment to execute from each hand who matters. Another massive aspect to the matter is the opportunity to not only help the environment, our current and future living but also the truth that waste is wealth and all one needs is just to recognize and act. Race is committed to convert this waste to wealth and make sure that every penny counts its worth. It is our mission to identify, develop and deploy technologies, resources & systems to treat waste to generate energy, recycle materials, and extract worth. We are proud to have our space and visible existence in the evolving world of Pet Waste, Biomass Fuel, Wastepaper, Recyclable Metal and Restoring the recycled.

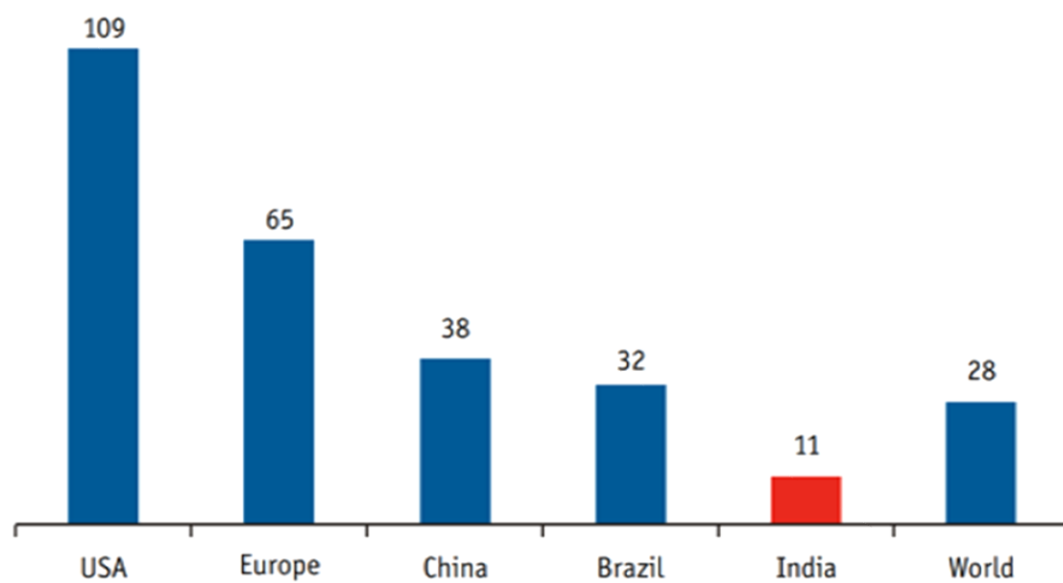
We begin this report with an update on how we are not only transforming your company - RACE Eco Chain Limited, but also the entire ecosystem. Over the past two years, we have been busy working to achieve our combined dream to leapfrog as a dominant player in the market with services and products that would provide impetus to our vision of becoming a responsible corporate entity - committed to converting waste into wealth. We are also focused on the transformational power of technology to address the decades-old problem of Waste Management. Our deep-domain expertise addresses both the uniqueness of the Indian waste management system while offering opportunities for improvement for all stakeholders in the recycling value chain. In the following sections, we will provide you with an overview of our recent efforts, current initiatives, and plans. We believe that if we're going to achieve a circular economy globally, we need to act now, and we need to act together. We are aiming for a turnover of INR 500 CR per annum and, a pan-India presence by 2025. Please join us as we take you along in our journey of sustainability and unlocking immense wealth creation for the entire ecosystem.

The plastics recycling market in India is estimated to grow at a rate of 6.5% to attain a market size of US \$53.72 billion by the end of 2023 says Vice President M. Venkaiah Naidu. He also called for a mass media campaign to bring behavioural changes in how people dispose of plastic products. He emphasised that the problem is not with plastics, instead the problem lies in our attitude towards handling of plastics. He stressed on the need to follow the best practices of plastics waste management and wanted people to be made aware of the importance of the **3Rs – Reduce, Reuse and Recycle**.

The solution is not to avoid plastics but to ensure that it is used responsibly and recycled properly. Underlining the importance of polymers in Indian economy, the Vice President said that 30,000 plus plastics processing units are employing over four million people across the country. He also mentioned that with an average national consumption of roughly 12 kilograms per capita per year, India ranks among the top five consumers of polymers in the world.

The average Indian uses approximately 25 pounds of plastics each year, about a tenth of what an average American uses. The Indian government has set the goal of doubling the per capita plastics consumption by 2022, presumably a surrogate measure for economic advancement and increased advanced manufacturing.

More plastic represents more wealth.

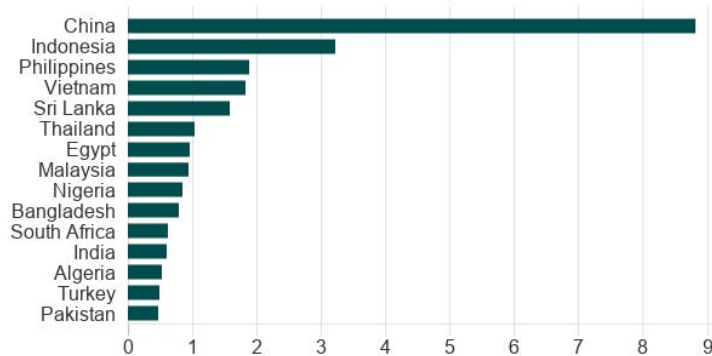


Source: AIPMA and Plastindia, TATA Strategic Analysis

Per capita plastic products consumption (Kg/person)

Which countries produce the most plastic waste?

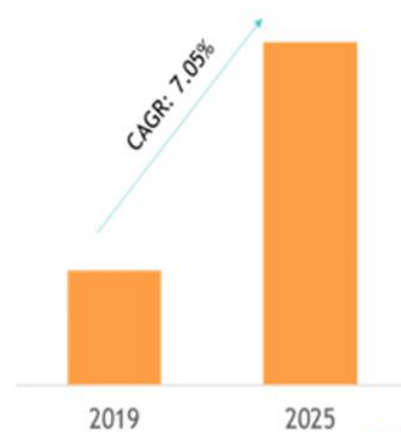
Top 15 countries worldwide that mismanaged plastic waste in 2010 (million metric tonnes)



Source: sciencemag.org

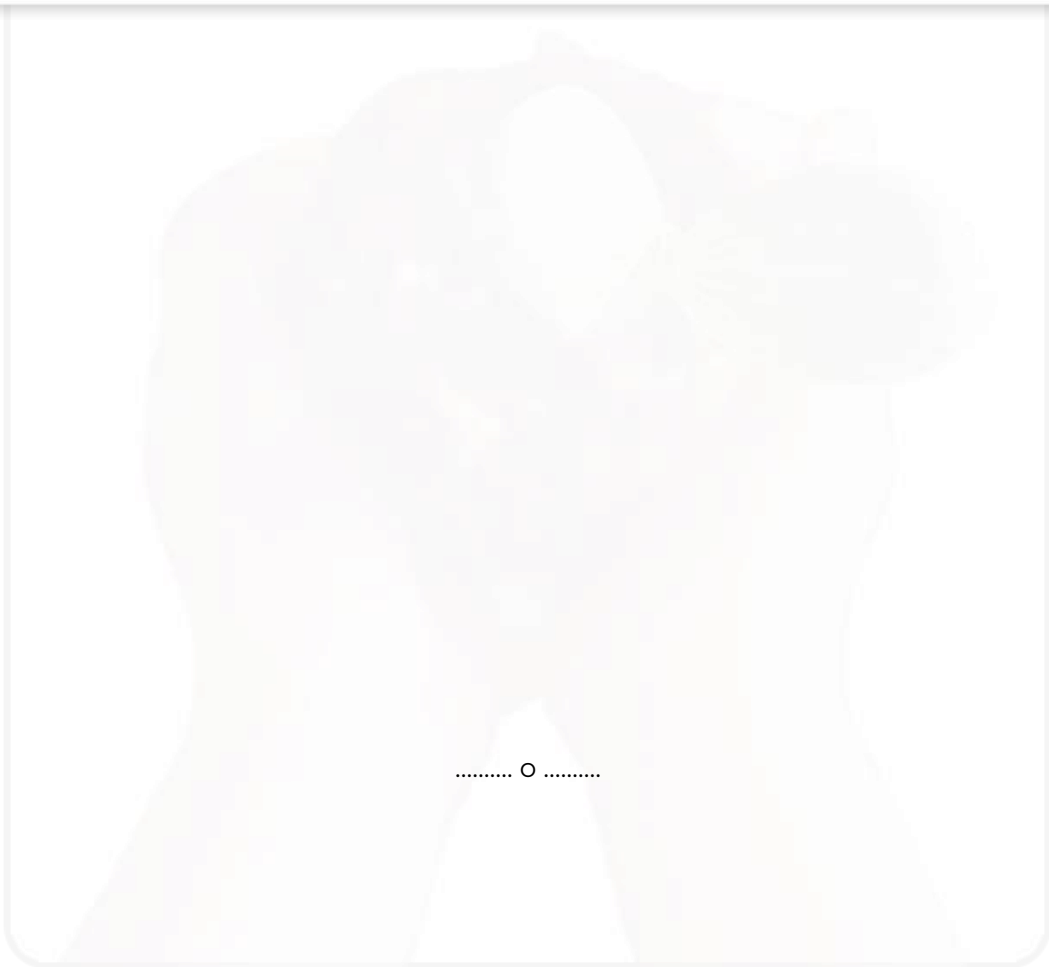
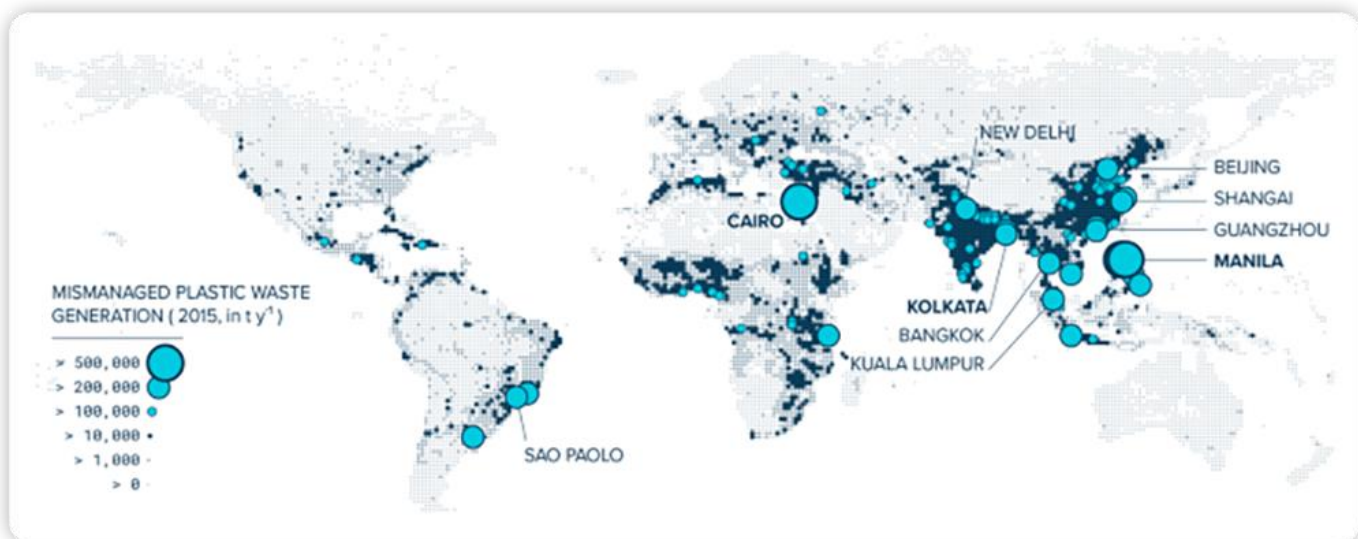
BBC

India Waste Management Market Summary



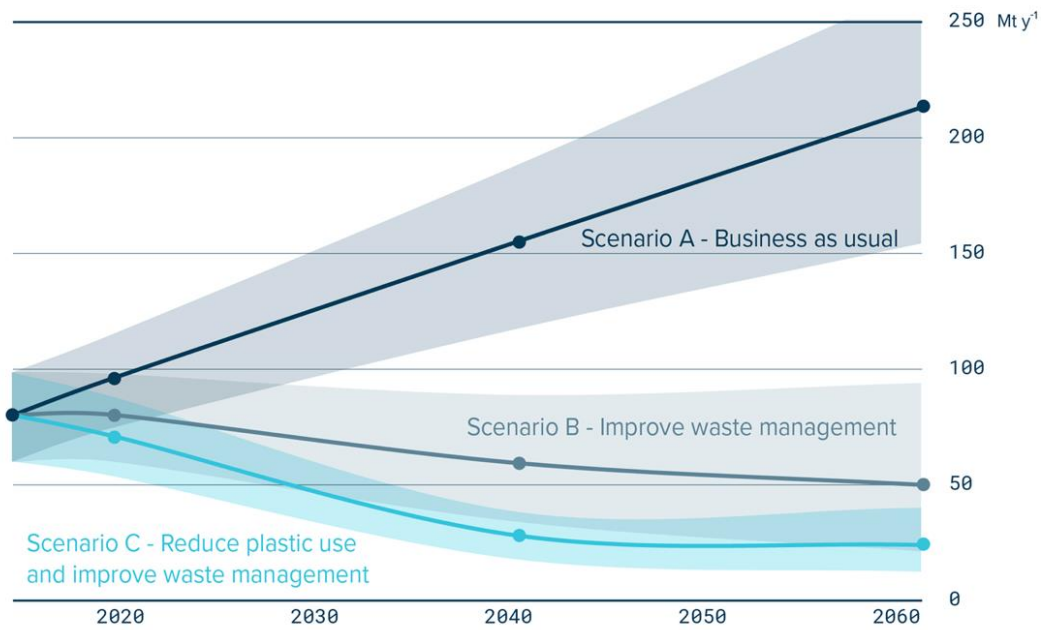
Source: Mordor Intelligence



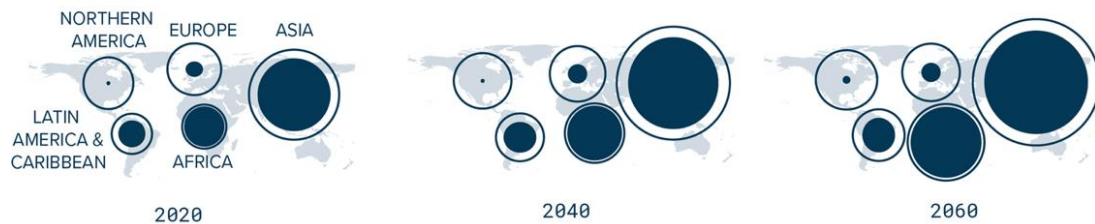


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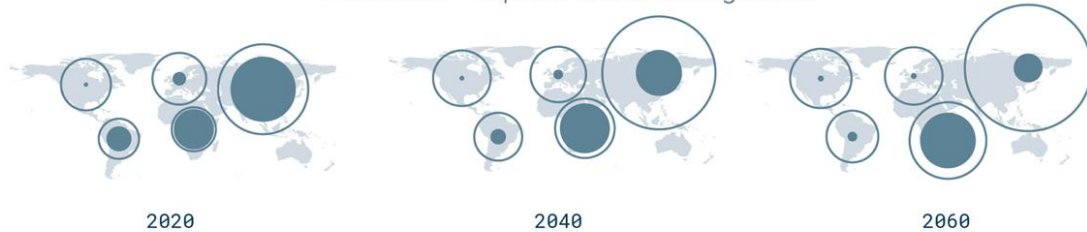
GLOBAL MISMANAGED PLASTIC WASTE GENERATION



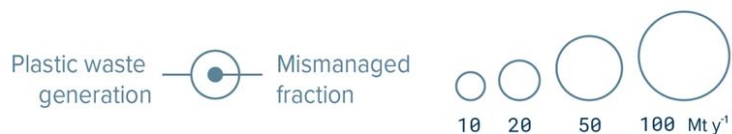
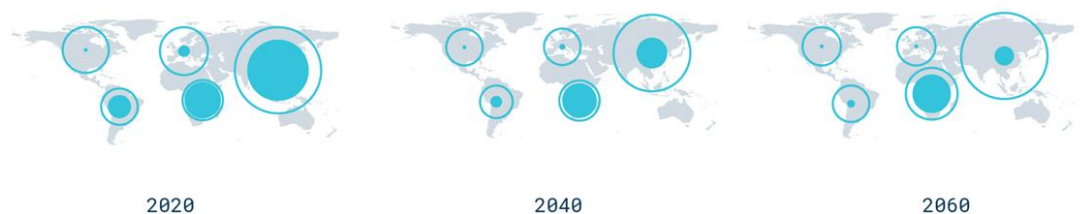
Scenario A - Business as usual



Scenario B - Improve waste management



Scenario C - Reduce plastic use and improve waste management



All Scenarios depicting a massive growth opportunity in Asia which translates to India the most considering its current position, economic well-being and growth, population and above all the environmental focus.

From the CEO's Desk #The OUTLOOK



Mr. Ravi Madan hails from the capital and has a very diversified overall experience of 20+ years in the fields of Operations, Transformation, Quality Six Sigma & Re-engineering. Ravi is an Ex GE / Genpact resource and serviced global clients including fortune 500 companies (GE, Jaguar Land Rover, Nissan, Walmart, Computer Science Corporation, Westpac, National Australian Bank, Old Mutual) and got varied cultural exposure having worked at various countries ranging from USA, UK, Australia, South Africa to Middle East and Southeast Asia during his 15 years tenure before he turned to entrepreneurship.

He successfully created two lines of businesses now running through a dedicated professional team before taking over Race to lead as CEO. Ravi is an MBA from Institute of Information Technology, graduated from Global Operating Leadership and Six Sigma Green Belt certified amongst other feathers under his belt.

Dear Readers,

I take this as a brilliant chance to connect with you all to outline the journey so far and the way ahead for Race. We consider ourselves to be on the right side of the bright stars to be given this opportunity to not only create wealth through waste for each one of us, but also to lead the most important aspect for mother earth and serve the inevitable need of the hour – **The Soul of R3 Mantra # REDUCE * REUSE * RECYCLE.**

We are beyond proud to be in the space where we are, and it gives us immense satisfaction and inner peace to make a real tangible difference. It is our endeavour to organize the entire waste management supply chain from its current unorganized and fragmented structure and give a push to the profit margins owing to better efficiency and process driven mindset, leading to a better meal for each & every hand in the supply chain to the level of a rag picker.

This year has been a fantastic year for us on all aspects ranging from our turnover, growth in presence across the country, deep market penetration, power usage of technology & data, capturing better market share, loyal supplier base to building the organization with best-in-class human resource deployment & infrastructure creation. Not only were we able to identify the need of creating an end-to-end supply chain for our industry, but we were also able to get partners on board from both ends who are equally committed and determined to bring the change and contribute in getting organized as one visible sector demanding the value it deserves.

This year was also very significant from the perspective of widening our arms as a business and adding new verticals to push our overall objective. Briquettes (white coal) is a perfect example of the same which got added as a feather in the cap this year and growing with every passing day.

Race began its journey in the “Recycling and Circular Economy” space at the tail end of year 2020 and was immediately impacted with the second wave of Covid-19 and the ship did not really leave the harbour. Our entry point had a small team and an unknown territory with only one focus in hand to find some ground under our feet and be a part of this industry. We initiated our efforts with Pet Waste, attempting to support the supply chain. By the time clock hit the last hour of the financial year, we kept afloat and made our presence in 3 states and delivered an approx. 4080 MT scoring an overall Turnover of about ~55 Cr. What was remarkable about our start was the sale of plastic waste grew exponentially from 195 MT in November 2019 to 1300 MT in March 2020.

The Financial Year 2021-22 witnessed the ship finally sailing. We experienced and got exposed to our Strengths, Gaps and Opportunities. We learnt what is in our control and what is beyond us which helped us strategize better and face what's coming head on. The year had all its seasons and flavours for us offering Opportunities, Struggles, Chase, Challenges, Learnings and Sweet Taste of Success, Applaud & Cheer. We are proud to summarize the year as follows:

1. Organization



We emphasised on organisation building and step by step developed all spices which are needed for a perfect curry. Started with forming a relevant and expert board of directors, we foresee and aspired for a dream team having identified the line of businesses, practices & support and the human resource needed to climb the peak. The Purpose of an organization is the fundamental reason why the organization exists. It is the most central component of Core Culture. The Purpose of an organization is not the answer to the question: “What do you do?” This typically focuses on products, services and customers. To clarify, it should answer the question: “Why is the work you do important?”.

At Race, we are clear about the “WHY” of our business and we are able to effectively communicate the same to each of our team member further leading to our suppliers and buyers. Our Purpose, Philosophy & Priorities put together form our Core Culture and well communicated, penetrated & reminded. It is the cause that defines one's contribution to society through work. Businesses exist to make a profit. But they also exist to make a difference. At Race, it is our everyday endeavour to tell each ear that through work, individuals can make a difference. They can be part of a meaningful legacy and contribute to this glorious journey.

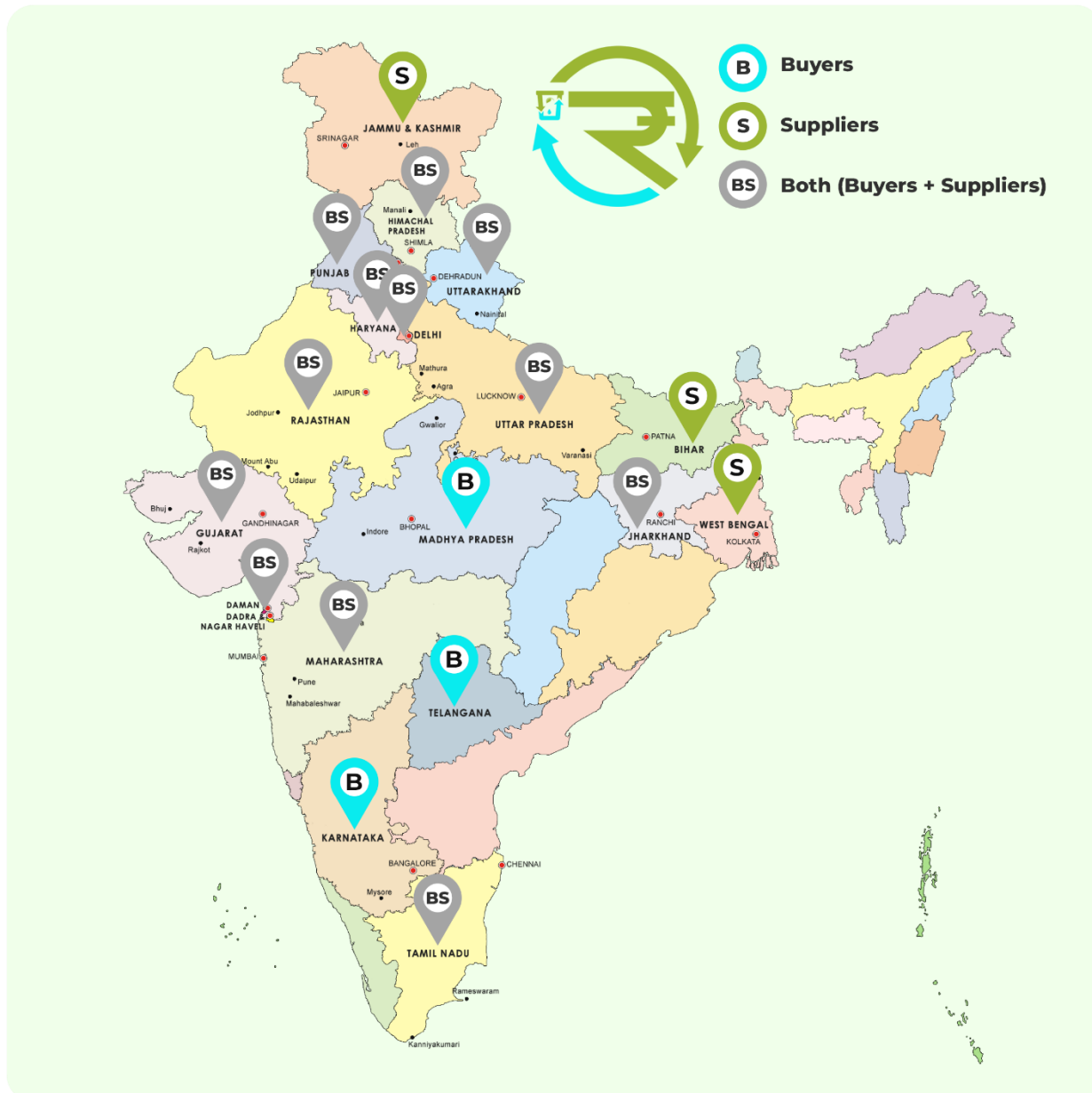
2. The Team



Considering the space, we wanted to fill in, we started as a pure corporate house and brought in hand-picked resources for specific jobs ranging from a Quality Controller to a CEO. We are proud to share that we are a 60+ people strong a force spread across varied background and expertise. On the human resource front, we grew exponentially during the last financial year and got tripled from the previous year. What is remarkable for us is not only the upward growth in numbers, but also the wide spread of this growth in all directions. Team Race has its physical presence in half of Indian states as on date covering all directions having Jammu & Kashmir, Punjab, Uttar Pradesh, Delhi/NCR, Madhya Pradesh, Rajasthan, Maharashtra, West Bengal, Orissa, Andhra Pradesh, Assam, Bihar till Tamil Nadu.

The following pages would provide a better view of the team for your reference though I would like to reassure you that we strongly believe in the value of human resource and hence considering the money spent on them as an investment and not expense. Right man for the job and keep hunting till you find one is the theory we believe in and the mindset we possess. Starting from domain expertise, to premium business schools to fortune 500 companies to advanced technology expertise, we would not leave any stone unturned to put in place the perfect team to get to the destination we are headed for.

3. The Footprint



Our Footprint has spread even broader and deeper than our own team. We are adding new districts and states every month along with welcoming new buyers and sellers on our board. We are making all possible efforts and utilizing all modes of communication and reach to add on our kitty and ensuring that the family keeps growing. We take utmost pride in sharing that our footprint and foot hole has grown more than 100% over the last financial year and current. We hope that the below shown presence mapping would provide a better sense to your understanding

4. Scale, Spectrum & Line of Businesses (LoB's)



As touched upon above, Team RACE is engaged in collection, trading and supplying recyclable waste to recyclers who eventually convert the waste into useful products. This supply chain makes a major part of our business currently and we are attempting our efforts in multiple waste types currently and roaring for more as we progress. Presently we are managing the following types of recyclable waste:

1. Pet plastic bottle waste:

Race is one of the largest aggregators of PET plastic bottle waste collecting and supplying approximately 25000 MT per annum currently. Though the collection chain is scattered and not well organized, RACE is playing an important role to organize the collection chain, maintain its quality and assurances and follow rules of ESG and no child labour policy. Total PET plastic waste recycling capacity installed in India is more than 8 lakh MT and PET waste generation and collection is about 9 lakh MT per annum.

The company aspires and aims to achieve to the tune of 36K Metric Ton of PET plastic waste during the current Financial year 2022-23 with a target to grow it by 100% by the next financial year of 2023-24.

2. Restore: The Origin & Destination – A Real Circular Cycle

Race has incorporated a brand called “Restore” which does exactly how it sounds wherein we are promoting products like bags, cushion etc. made out of Plastic waste and other natural fiber, supplying within INDIA and exporting to international market. A complete section of this report is dedicated to providing you with a deeper touch & feel of the same.

3. Biomass Fuel Briquettes (A renewable energy source from biomass waste):

Effective the last financial year of 21-22, Race stepped into Cleaner Fuel Energy which is a substitute to conventional coal and is called Biomass Fuel Briquettes or White Coal which is a renewable energy source from biomass waste. Biomass Fuel Briquettes are made of agro waste usually called paralli and known as agro waste and residual of wheat, rice husk, ground shell, mustered husk and wood waste. Race has been successful in getting some of the premium clients of this product on our wagon in such a short span of time and this vertical is growing in folds with every passing quarter. To name a few clients, we have with us RELIANCE, CEAT, ORIENT BELL, PEPSICO ETC. and we were able to transact ~ 2.80 Crores during FY 2021-22 which is proposed to grow to the tune of 10 Crores during the current financial year 2022-23. A detailed section of this report is dedicated to this line of business for your reference

4. Wastepaper:

Race is also engaged in collection of wastepaper and supplying it for recycling to paper manufacturer. Presently we are supplying to only one manufacturer and propose to add more at later stage. During 2021-22, the company has supplied 13175 MT of paper waste valuing Rs.29.67 crores. The company expects a business of 40 crores during 2022-23 from 15000 MT. The main area of operation is Jaipur in Rajasthan.

5. Steel pipe waste:

RACE has made an informal tie up arrangement to lift steel pipe waste from one of the leading steel pipe manufacturer and supplying it to recyclers and users. The business is carried out on cash terms. During financial year 2021-22, the company has made a turnover of Rs. 13.28 crores from 2300 MT. The company expects a business of 25 crores during 2022-23 from 3500 MT. The main area of operation is NCR DELHI.

Operations Overview

The 'Waste-to-Energy' and Waste Management market in India is set to be a \$14bn opportunity by the year 2025. The population of 1.3 billion in India currently generates 62 million tons of municipal solid waste per year. And by 2027, India is set to become the world's most populous country as per projections of the United Nations with 7 new megacities. At this exponential population and urban growth rate, landfills almost 90% of the size of Bengaluru would be required for dumping if the waste remains untreated. Though rapid urbanization presents a humungous challenge, with the right policy framework and action, this challenge can be turned into a golden opportunity. The scale of opportunity may be gauged by the fact that India has the potential to generate 3GW of electricity from waste by 2050. The benefits of effective waste management are immense. India presents an opportunity in numerous subsectors of waste management including municipal solid waste, electronic waste, bio-medical waste, agricultural waste, and others. It is predicted that India has the potential to generate 3GW of electricity from waste by 2050.

RACE operations involve end to end supply chain cycle for empowering the processing of this waste through multiple tollgates and bring back the waste to life through the virtues of Reuse, Reduce and Recycle.

Team Race is building a robust supply chain process starting from collecting /procuring the waste, adding value through quality & efficiency, to providing it as a raw material to the recycling units and also consuming it ourselves by the ways of producing go to market products which are 100% recycled. Our business operations are led by the following four objectives:

1



To identify and support the development of new technologies that can help create a cleaner and greener environment

2



To boost and augment the entire waste supply chain by leveraging science, technology, and innovation

3



To create circular economic models that are financially viable for waste management

4



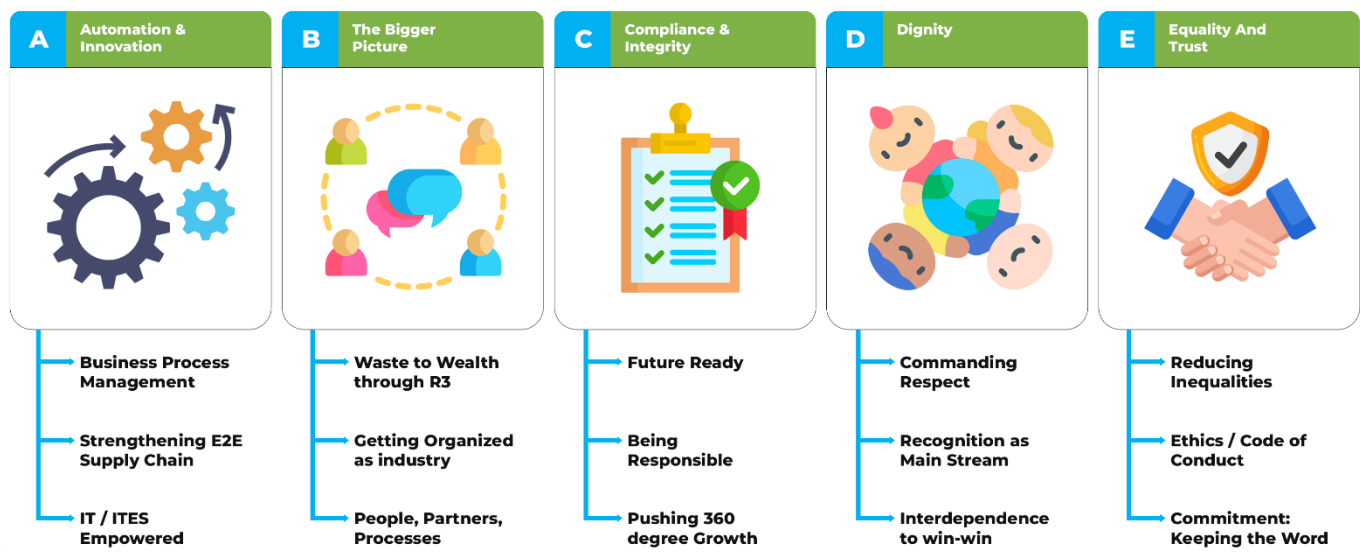
To streamline waste handling in India

In the last 2 years, RACE has established its foot hole in more than 10 states of India and has built a large team of 500+ suppliers. We are catering and selling to almost every sizeable recycling organization in India ensuring the top quarter of the list considers Race as a preferred partner in the scheme of things. Team Race aspires and look forward to grow the footprint with each passing day and become a PAN India organization cultivating and supporting the entire chain through developing and deploying Business Process Management, Best Practices, Technology and L&D for this sector. Our operations also include developing adequate and relevant infrastructure to infuse efficiency and productivity to the cycle ranging from strategic warehousing to logistics to advanced machinery and so forth.

Core Values

Keeping in mind these objectives, we curated our values and sustainable goals, and we are proud to share the same herewith:

The A B C D E of Us



Our Sustainable Goals



Vision 2025

“A million Mile Journey starts from the first step”. Team Race has a long-term vision to not only create a business, but to develop the industry itself which is non existing if one looks at it through the lens of Processes, Ethics, Being Organized or Being Responsible. We are taking step by step approach while we attempt to climb the top of the mountain and given below is our milestones which we aspire to achieve by FY 2025.

1. 10% market share in collection of PET plastic waste out of total 10 lakh MT generated annually in INDIA.
2. Be prepared & build relevant infrastructure to support upcoming technology leading to Recycling and /or Upcycling in comparison to today's ability which is actually downcycling.
3. Bring the industry together to build an exclusive and efficient Supply Chain Management leading to better movement, monitoring & margins.
4. Transform economy from burying waste into land fill to utilizing waste as a resource.
5. Fifty (50) dedicated metro urban centers / super dealers to be operative by 2025 with more than 500 consistent / on board waste dealers.
6. Recognizing and Valuing the ESG norms and build all systems, protocols and implementation keeping the ESG in mind. Getting all parties involved to be sensitive towards ESG is part of educating about the topic which Team Race embraces very dearly.
7. Dedicated collection center for ocean bound plastic and River Ghats having relevant certification and traceability.
8. Organizing, channelizing, mediating and leading efforts to clean some of the most needed hand-picked tourist / pilgrimage sites and build sustainable solutions to keep them clean.
9. To help Reduce the amount of waste generation and to educate the importance of Reuse & Recycle by promoting individual and corporate responsibility. Team Race aims at joining hands with other organizations/players to bring out the much needed and awaited value on this front.
10. To spread our wings to varied waste types and add other segments of recyclable waste like Other Plastics (beyond PET), Paper, Steel, Bio-mass energy called white coal, Glass, IT Waste etc.

Here I would like to conclude my section and I sincerely hope that we were able to draw the current state and lay down the path for upcoming future. It gave me immense pleasure to share our experiences and aspirations and I shall assure you yet again that your company is moving north having all spices in places required to make a perfect curry. We are looking forward to keeping you posted with a lot more good news as we move forward.

Yours Sincerely
Ravi Madan
Chief Executive Officer

Management Discussion & Analysis

Presently we are living in a society where our bonding with plastic is evolving at a fast rate. It is so much that we are talking of plastic money for our day-to-day use. In the past few years, consumption of plastic has been expanding in every sphere of our life. It has become difficult to think a life without plastic. Our kitchen, our bathrooms, bad rooms and even drawing rooms are full of plastic. In construction industry also, plastic has replaced steel, Aluminium at various places.

At the same time, Producers, Government and society is much worried for the increasing use of plastic and pollution created by plastic waste and its impact on the environment – AIR EARTH & WATER. There are more concerns for One time use plastic product. All the stake holders have a common target – to reduce plastic waste to ensure better environment for our future generations.

Government of India has already taken first Step towards the common target by implementing (PWM-2016) Plastic Waste Management Rule 2016 as amended in Year 2018. Under PWM, responsibility has been fixed on the Polluters, Brand Owners, producers & Manufacturers for the collection of plastic waste from the society & its disposal in land filling & open burning. As per PWM 2016, Govt. wants to ensure 100% collection of plastic waste from the society in a phase manner over the time with the embodied principal “Reduce, Reuse and Recycle”.

This step has given an opportunity for the development of sustainable business to establish infrastructure for the collection of plastic packing waste and recycle the material wherever possible.

RACE ECO CHAIN LTD is engaged in the business of trading & management of plastic packaging waste particularly PET plastic bottles. To achieve its aim, company is providing infrastructure solution and creating awareness in the society. Now it has been an established trader and aggregator for the collection system on behalf of recyclers.

Plastic Waste Focus

“Plastic Waste is a growing menace and wasted opportunity waiting to be explored & encashed”

- Sunil Malik, Managing Director

Today's Challenge for India in this space:

Over the past decades, the importance of plastic has significantly improved. It is now everywhere, and it is almost impossible to go a whole day without coming in contact or using plastic. Plastics are there in our electronic devices, household appliances, the synthetic fibres of our clothes, etc. It is one material that makes our modern lifestyle possible, and things would be very different without its usage.

There's no sign yet that we are going to stop using plastics anytime soon. It has revolutionized almost all industrial sectors in the last few decades. It plays a crucial role in commercial sectors, from the carpet, furniture, and non-stick cookware in our homes, to the covering, instrument enclosures, seating, and panelling in our vehicles, to the personal protective equipment for medical personnel, medical devices, the synthetic rubber of tires, etc. Plastics are everywhere and in everything.

The world is awakening to the pressing need to save the Mother Earth from drowning into the plastic pollution. People and countries across the globe are looking at alternatives to reduce the impact on the environment and become more sustainable and greener. Today, plastic waste has become a major environmental concern.

While on one hand, industries are looking at plastic as a more flexible, convenient and cost-efficient material for products, on the other hand plastic products and packaging have been creating environmental hazard around the world. According to UN Environment, 1 million plastic drinking bottles are purchased every minute around the world and 5 trillion single-use plastic bags are used worldwide every year. Interestingly, around half of all plastic produced in the world is designed to be used only once and then thrown away, which most of the time end up in landfills or pollute our water resources. At the rate that we are moving ahead, it is believed that our oceans will be flooded with more plastic than fishes by 2050. Hence, it is a wakeup call for all of us to introspect, reimagine and act towards embracing recycling as The Need of the Hour & a requisite to leave the right legacy for the generations to come. The future is of reduce, recycle and reuse. Businesses and countries are working towards finding ways to become more sustainable and greener. The recent COVID-19 pandemic has further sealed the thought of restoration of nature and its resources to keep mankind and the Earth healthy.

The Opportunity: Awaiting to be Explored

Momentum is building to combat this issue. Countries, corporations, and communities are developing strategies and taking actions to reduce, reuse and recycle plastics. Leading global brands and retailers have made voluntary commitments to make their plastic packaging 100% reusable, recyclable, or compostable by 2025. The public and private sector are joining hands to realign priorities, rethink approaches and change mindsets toward seeing plastic as a valuable resource and business opportunity rather than waste. To catalyse the transition to a circular economy, the private sector needs to advance eco-friendly alternatives to plastic and innovative business models to support its reuse and recycling. This will help investors align with government interests and create value from used plastic, and most importantly, pave the way for a more sustainable future.

"The private sector must be a critical partner in driving solutions to the plastics challenge -- leading material, technology and financing innovations, contributing to education and engagement, and intensifying clean-up efforts. For its part, the International Finance Corporation is developing a framework to help create a new "asset class" of blue loans and bonds to mobilize capital for the nascent market to tackle marine plastic pollution."

**- Alfonso Garcia Mora
IFC Vice President for Asia and Pacific**

As interest in the circular economy grows, emerging recycling technologies that are complementary with mechanical recycling are accelerating.

- McKinsey & Company, May 2022

As industries continue to shift away from fossil fuels and toward sustainability, many consumer-packaged-goods (CPG) companies have pledged to sell goods that have less impact on the environment. These pledges affect a large portion of the plastic products people use or encounter in everyday life, including packaging materials such as bottles, caps, meal trays, and flexible film wrap. As a result, the demand for circular polymers is rapidly increasing—but capacity announcements are not on pace with demand growth.

Demand for recycled polymers is growing, primarily because of increased consumer awareness, CPG pledges, and regulations. These plastics can be produced through either mechanical recycling or advanced recycling. In mechanical recycling, plastic waste is washed, shredded, and pelletized, while in advanced recycling there is a chemical change and a longer route to go from plastic waste to ready-to-use plastic.

Recycled plastics are gathering steam: more than 80 global CPG, packaging, and retail companies have made public commitments to reach recycled content in their packaging between 15 to 50 percent by 2025. Europe leads the way in sustainability-related regulation, with fines imposed on nonrecycled-plastic packaging and a single-use plastics ban on ten items. Australia, Japan, and South Korea have set recycling targets for 2025 or 2030. And in North America, legislation in the United States varies by state, with Canada slightly ahead in terms of overall recycling requirements.

THE POTENTIAL: What's Possible

As of today, mechanically recycled materials are the highest-by-volume non fossil plastics, followed by bio-based or biodegradable plastics. Mechanical processes are successful in effectively recovering the materials from polyethylene terephthalate (PET) and polyethylene (PE) bottles, which can be used to make recycled beverage containers (bottle-to-bottle recycling). These techniques are also applied to products as diverse as agricultural films, tubs, and bowls.

Another alternative is the feedstock recycling program which is becoming more critical and will only expand the available options to make a high-quality recovery. These technological processes result in some share of plastic rejects that can't be recycled yet. The only way to address this is to focus more on the designs for recycling products and packaging that are partly made out of plastics. There are cases where it is more justifiable to consider banning the production of certain products made from materials that are difficult to recycle.

That said, using recycled plastics in food-grade materials is particularly challenging because of safety concerns around contaminants. Advanced recycling offers a way to solve this challenge by converting recycled material back into hydrocarbons and precursors that other processes can use as chemical feedstocks. Advanced recycling—which includes technologies such as pyrolysis, gasification, solvolysis, and microwave—offers a complementary way to expand the recycling landscape. As a result, it will likely play an increasingly important role in achieving circular-economy targets and commitments and help to expand the amounts, types, and qualities of plastic waste that can be recycled.

Advanced-recycling technologies include conversion (feedstock recycling) and decomposition (monomer recycling).

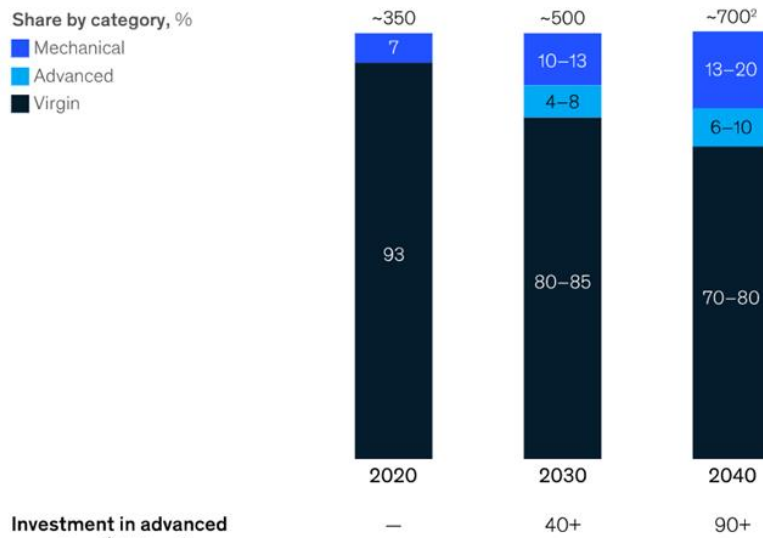
Advanced-recycling routes	Technology	Input ¹	Output
Conversion (polymer to feedstock)	Pyrolysis	Mixed or sorted plastics, typically requiring	Naphtha (plastic feedstock)
	Gasification	• >90% polyolefins (PE, PP, PS) • No oxygen or chlorine (PET, PVC)	Synthetic crude oil, fuels, wax
Decomposition (polymer to monomer)	Pyrolysis/microwave	Sorted PS	Monomer Oligomer
	Solvolysis	Sorted PET	Monomer Polyester polyols
Purification	Dissolution	Sorted plastics	Virgin-like polymers

¹ PE: polyethylene; PP: polypropylene; PS: polystyrene; PET: polyethylene terephthalate; PVC: polyvinyl chloride.
Source: McKinsey analysis



Advanced recycling could grow to 20 to 40 million metric tons, or 4 to 8 percent of the total plastics supply by 2030, requiring more than \$40 billion of total investment.

Global polymer demand 2020–2040,¹ million metric tons per year



¹ Polymer demand includes fibers (polyesters and polyamide), excludes rubbers and intermediates.

² Figures may not sum to 100%, because of rounding.

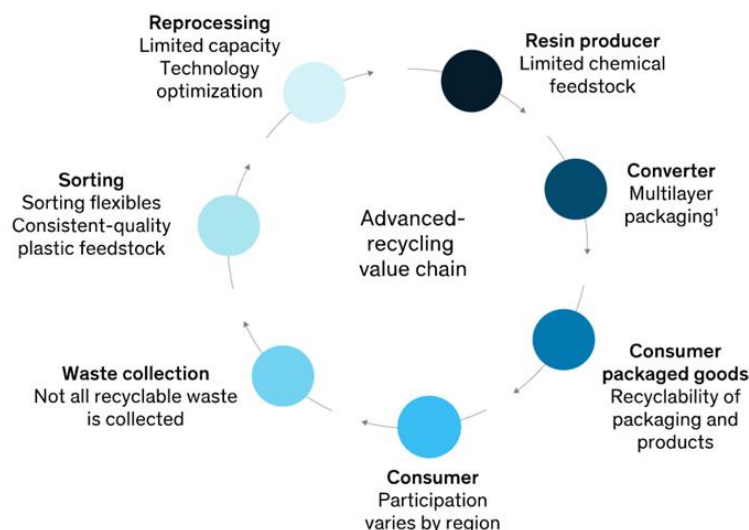
³ Assumes capital intensity range of \$1,500 to \$3,000 per ton.

Source: CI Circular; McKinsey analysis

**McKinsey
& Company**

Advanced recycling requires advancements in technology development, waste collection, and partnerships and investment to take off.

Key barriers to scaling recycling



¹Refers to packaging made with paper, foil, or plastics, which has additional physical challenges when recycling.

**McKinsey
& Company**

A Must Win Battle:

While the challenges in the management of plastic wastes persist, there are still opportunities for it. The commerce sector has a variety of plastics which is a challenge. There are also technologies like the NIR (Near Infra-Red) sorting and other options for mechanical treatment for processing conditioned plastic wastes so that the quality of recovered plastics is high enough to be used as secondary materials to replace primary resources. Additionally, there are recycling manufacturers who are focusing on developing technologies to support Up Cycling and true recycling rather than down cycle the plastic which has been the real case so far in the shadows of so called “recycling”. One such brilliant example is the newly found capability of producing a fresh bottle from a used recycled bottled which is nothing but a perfect example of churning the secondary category plastic to be born as Primary again.

What & Why of Unorganized to Organized # A deep dive!!

The Indian waste industry is highly fragmented. Waste dealers tend to scavenge and sell to small businesses, who sell it to bigger companies for recycling and as scrap. Because of the unregulated nature of the industry, there is a great gap between supply and demand. Currently, this ecosystem in India is spread across multiple levels, largely unorganized with transactions taking place offline haphazardly, some value transactions being made but not in an organized manner. Traders, rather than value-adders like Collectors and Recyclers, have mostly dominated the business.

Because of the lack of a proper Code of Conduct, the sector has been deprived of a proper industry status – and hence not received investments and more important little deployment of technology.

Fragmentation of this industry and, on the other hand, the Government's Plastic Management rules of EPR (Extended Producers Responsibility) for big-scale waste generators have created a peculiar problem. There is a gap between the consumption of Pet-bottles and recycling capability with no single player having the capacity to handle this. With the industry being largely unorganized there is no access to finance and so no technology and no scalability is possible.

Big scale generators hence cannot utilize their EPR budgets or do social audits as mandated since this is a largely unorganized industry where child labour is common, pay-outs are meagre and fluctuate and depend upon the mafia. This current situation ensures that no social audits can be done since the existing players are not organized and results in the EPR budgets lying unused. We at RACE are constantly adding capacity and diversifying our product mix to keep our growth engine fuelled. At the same time, the regulatory compulsions in the form of extended producer responsibility (EPR) and pledge for sustainability by brands and corporates will help to create a good demand for the recycled inputs – thus, furthering the ecosystem.

INDIAN R3 INDUSTRY MATURING # TECHNOLOGY, SCALE, RELIABILITY

Advanced recycling also has sustainability benefits. For example, it uses waste rather than fossil fuels for polymer production, and it diverts plastic waste from landfills and incineration. With landfills nearing capacity in some regions and incineration prompting concerns about carbon emissions, advanced recycling offers an alternative. If the current sustainability momentum were to continue at pace and if the constraints were resolved,² we anticipate that advanced recycling would continue to grow and play a crucial role in meeting the demand for recycled polymers. In such a scenario, advanced recycling could satisfy 4 to 8 percent of total polymer demand by 2030 and would require the deployment of more than \$40 billion in capital investment over the next decade (Exhibit 3). Although that may seem like a small portion of the total market for plastics, it demonstrates significant growth over today's near-zero percent. Moreover, the technology has the potential for more than 20 percent year-over-year growth through 2030.

For these reasons, among others, new programs should help to improve the collection of plastic waste, particularly around flexibles, multilayers, and pouches.

Some programs have been introduced to improve sortation for flexible plastics and enhance recovery rates, including pilot programs for enhanced optical sortation in material recovery facilities (MRFs) and alternative collection programs, such as secondary bagging.

Scaling these programs, however, entails significant changes in consumer behaviour, and investment in waste collection and MRF upgrades. Material densification, which compresses loose plastics into waste bales of uniform size and shape, can help offset high transportation costs. Other routes to help scale supply require changes in collection processes and consumer participation to expand the supply of plastic waste, improved feedstock management via digital solutions to ensure consistent input and output quality, and technological advances in sortation to improve recovery rate.

THE FUTURE: WHAT IS LOOKING AT US

(Using an Economic Feasibility Lens to Select the Next Moves)

The elements that could provide the foundations of a successful recycling system

- a. A circular economy for plastics # The first is to design or redesign plastic products to be recyclable.
- b. Next is putting in place effective systems to recover end-of-life plastics.
- c. The third element is to reuse the recovered plastics by recycling them, turning them into new products that will create value.

Our research, experience and deep digging has shown substantial value-creation potential in capturing plastic waste and using existing technologies to process it to make new plastics and other chemicals. To date, however, investments to translate this potential into reality have been relatively small. Globally, only around 15 percent of plastics produced each year get recycled.

After deliberating and exploring a great deal, we at Race have realized that in order to have a sustainable and viable solution to manage the entire recycling aspect, India desperately requires an exclusive, relevant and state of the art Supply Chain to serve this sector which possess massive potential to provide wings to each and every bird who makes part of the chain. The following section has been handpicked to emphasis upon considering the value it carries in our opinion.

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THE NEED & THE SOLUTION # SUPPLY CHAIN MANAGEMNET

A supply chain is the network of all the individuals, organizations, resources, activities and technology involved in the creation and sale of a product. A supply chain encompasses everything from the delivery of source materials from the supplier to the manufacturer through to its eventual delivery to the end user.



The fundamental steps of a supply chain in order are as follows:

- Sourcing raw materials.
- Refining those materials into basic parts.
- Combining those basic parts to create a product.
- Order fulfilment/Sales.
- Product delivery.
- Customer support and return services.

The amount of time it takes any one of these processes from start to completion is known as lead time. Supply chains can be contrasted against value chains -- they contribute to the end product in different ways. Supply chains aim to meet customer demands. Value chains seek to add value to a product on top of its inherent value. The purpose of the value chain is to give the company a competitive advantage in the industry. Supply chain management and value chain management are two slightly different perspectives on the same basic process and work in tandem to meet two slightly different definitions of "demand." At Race, we are not only aiming to build a robust supply chain for our industry but are highly aspired to create the Value Chain to make the Real Difference.

Today's Supply chain challenges # Specific to our Industry

India's waste management and Recycling supply chains are complex and present several common challenges. These are:

- a. Potential lack of transparency. Having transparency enables stakeholders to understand the status of the supply chain.
- b. Waste due to inadequate production cycle. Businesses that inaccurately gauge their supply, demand or capabilities may end up with an overstocked inventory.
- c. Unsatisfied business partners and customers. The ultimate goal of SCM is to meet customer expectations. This involves managing those expectations realistically, but also providing a valuable product.
- d. Lost or delayed goods. Goods that go missing at any point in the chain ultimately delay the whole process and can impact customers negatively.
- e. Increasing customer expectations. New technology and businesses raise customer expectations, which can be difficult to manage, and impossible to meet if not properly managed.
- f. Resiliency to sudden changes in the supply chain. External factors can cause unforeseen changes in a supply chain, so best practice is to prepare for the unexpected and be able to pivot if need be.
- g. Technology advancement requires the supply chain to cope up with it. Food Grade Material, Bottle to Bottle
- h. Hoarding, Push & Pull, No Process or Security leading to a gap between Supplier and Recycler and they both kick each other as and when the opportunity rather than supporting each other to create value for both of them

How Race is attempting to solve for the challenges # The Plan

- a. Adapting LEAN: A lean supply chain is a supply chain operating at its very best: it supplies the goods or products to the end customer in the most efficient manner possible, with minimal waste, loss, and with enough flexibility that it can adapt to unexpected delays
- b. Use lean SCM and logistics techniques. Lean increases flexibility and minimizes inventory waste.
- c. Increase inventory velocity. Companies need to ensure their supply doesn't outweigh demand, and that they can capitalize on distributed, quickly changing demand.
- d. Enterprises need to collaborate with other businesses in their supply chain to optimize the entire chain, not just one company's process. The relationship with suppliers is especially important.
- e. Shorten cycles. As supply chains become more complex, they get longer, and so do processes. Businesses should aim to keep them as short as possible to meet customer expectations.
- f. Use supply chain technology. Technology allows managers to integrate their supply chains and collaborate more effectively.
- g. Implement useful metrics. Well-defined metrics allow managers to accurately gauge the efficiency of the chain.

THE CRITICAL ONE # SETTING UP END TO END PARTNERSHIP

End to end (E2E) supply chain involves an entire integrated process. From product design and procurement of raw materials then scheduling, production and then final delivery of finished product to the customer. It is further extended to after-sales service and reverse logistics depending on the nature of the business.

Main Components

- a. Demand/ Supply planning – stocking strategy and sourcing based on product/ service forecasting
- b. Procurement – sourcing plus purchasing
- c. Sourcing – vendor/ supplier selection and supplier delivery agreements
- d. Purchasing – purchase orders based on supply planning/ order management
- e. Production / Manufacturing – making the product (by hand or industrially)
- f. Warehousing – resources and space required for managing inventory
- g. Delivery/ Distribution/ Transportation – strategy based on retailer or customer
- h. After-sales service – maintenance and managing returns from customers
- i. Reverse logistics – product return, reuse, or repair

Benefits

- a. Seamless flow of activities across the supply chain
- b. Reducing delays with the ability to detect any issues across the supply chain
- c. Better relationships with suppliers and customers
- d. Complete visibility can reduce risks, operating costs, and predict and plan to meet the needs of market changes
- e. Transparency and the ability to view “blind spots”
- f. Reduced labor and material costs, by removing waste in the process

Elements of Trade Offs

- a. **Cost:** Finding a cheap supplier to lower the raw material cost may impact the material availability due to low supplier reliability.
- b. **Quality:** Bad quality sourcing to reduce costs can impact the production plan due to a higher defection rate impacting machine downtime.
- c. **Inventory:** Due to lower supplier availability and bad quality, the safety stock of both components and finished products needs to adjust to counter the low-cost strategy at first. But increase in safety stock will eventually increase the overall cost due to holding, handling, and possibility of damage and obsolescence.
- d. **Service level:** An increase in promised service level to customers to get higher revenue increases the risk of customer dissatisfaction due to the inability to deliver in full on time (DIFOT).
- e. **Working capital:** Improving the cash-to-cash cycle may result in procuring material at a higher than usual cost, as the supplier will take away any discount due to paying them late. This is the same when it comes to the customer side where business asks them to pay early as a result of giving some customer incentive which will impact the overall revenue.
- f. **Promotions:** To increase sales, promotion is one of the strategies. However, it comes with a cost of creating disruption in production and inventory due to volatility created by intermittent demand.

THE CLEAN ENERGY FOCUS

Biomass Fuels # The Next Gen Energy

"Biomass Fuels generate energy from things that once lived such as wood products, dried vegetation, crop residues, aquatic plants and even garbage."

When plants lived, they used a lot of the sun's energy to make their own food (photosynthesis). They stored the foods in the plants in a form of chemical energy. As the plants died, the energy became entrapped in the remains. This trapped energy is usually released by burning and can be converted into biomass energy. Wood remains the largest biomass energy source to date. Industrial biomass can be grown from numerous types of plants, including Miscanthus, switchgrass, hemp, corn, poplar, willow, sorghum, sugarcane, bamboo, and a variety of tree species, ranging from eucalyptus to oil palm [16]. Burning materials like wood, waste, and other plant matters releases stored chemical energy in the form of heat, which can be used to turn shaft to produce electricity.

The use of biomass can be environmentally friendly because the biomass is reduced, recycled, and then reused. It is also a renewable resource because plants that can make biomass can be grown over and over.

Biomass fuel will continue to be important locally around the world. As oil and gas prices move upward over time, more efficient modern technologies will be employed to convert biomass energy to these easier to use forms along with expanded use for power and co-generation. In developing countries, although economic growth will lead to a shift up the household energy ladder to liquid and gaseous fuels for hundreds of millions of people, for many decades there will still be a billion or more of the poorest people who will be unable to switch from using unprocessed traditional fuels.

Moving these people to cleaner and more efficient alternatives would take concerted efforts involving new technologies, subsidies, and education at the scale now employed to provide clean water and sanitation. There are also many attractive uses for biomass in commercial and small-scale industrial applications in developing countries.

The Indian Scenario # What Matters to Us

Biomass fuels provide 85–90% of domestic energy and 75% of all rural energy (Table I). Of the total rural energy consumption, approximately 52.5% is met from fuelwood, and fuelwood consumption in 2001–2002 was estimated at 223 million tons (MT). Of this, 180 MT was for rural households and the balance was for cottage industries, large hotels, etc. However, against this demand the annual sustainable yield of fuelwood from different land sources is only approximately 86 MT. The consumption of animal dung and agro-waste is estimated at 130 MT; this does not include wet dung used for biogas plants.

There are regional variations in biomass consumption, borne out by the fact that the consumption of fuelwood ranges from 2.04 kg per household per day in Haryana to 14.14 kg per household per day in Orissa. The fuel mix also varies from region to region depending on the resource endowments. Fuelwood consumption is high in states that have considerable forest cover.

For instance, in Arunachal Pradesh, it is 10.4 kg per household per day, and in Manipur, it is 10.34 kg per household per day. On the other hand, consumption of dung cakes is high in states such as Uttar Pradesh (4.95 kg per household per day) and Rajasthan (3.41 kg per household per day), which have little biomass cover. Crop residues, being inferior in quality, are used in most areas as backup fuels when there is a shortage of other fuels.

Biomass fuels are available in a number of different formats, varying from a fine dust and sawdust to chips, pellets, briquettes, and bales and as liquids. Pellets and briquettes are generally more cost effective to transport due to their higher bulk density of typically 600–700 kg m⁻³ and are less prone to ‘hang-up’ in the bunkers and conveyors. Pellets are biofuel compressed into small cylinders with a typical diameter of 5–15 mm and a length of 10–50 mm. They have a higher and more standard bulk density than the raw materials and being clean and dry (< 10% moisture) they are easier to transport and handle. They can be stored much longer than other wood sources, but they can be very dusty and have to be stored under cover and dry. Biomass can also be delivered to the power station in bales. Bales are relatively easy to transport and have a good bulk density. They can also be stored in the open for shorter periods of time. A modern large bale can weigh 300–500 kg. Biomass fuels are considered carbon-neutral because the CO₂ released when the biomass is combusted is equal to the CO₂ sequestered during the plant’s growth.



FACTS ABOUT BIOMASS FUEL

1

Versatility

Biomass can be used to produce renewable fuels, power, and every day like plastic.



2

Value For Wastes

There is significant potential to turn wastes such as plant material left over after harvest, sewage sludge, and the organic portion of garbage into bioenergy. Diverting these resources to produce energy and products provides value for otherwise problematic waste streams.



Economic Impact

Biobased activities have already generated more than \$48 billion in revenue and 285,000 jobs. Estimates show that continuing to develop biomass resources could expand these impacts.



3

Abundant

By 2030, the U.S. has the potential to sustainably produce 1 billion tons of biomass annually - that's enough to fill a 16-foot flatbed truck stacked roughly up to the moon.



4

Race's Footprint in Clean Energy Space

Biomass Fuel # A Renewable Energy Source

Effective the last financial year of 21-22, Race stepped into Cleaner Fuel Energy which is a substitute to conventional coal and is called Biomass Fuel Briquettes or White Coal which is a renewable energy source from biomass waste. Biomass Fuel Briquettes are made of agro waste usually called paralic and known as agro waste and residual of wheat, rice husk, ground shell, mustered husk and wood waste. Race has been successful in getting some of the premium clients of this product on our wagon in such a short span of time and this vertical is growing in folds with every passing quarter. We were able to transact ~ 2.8 Crores during FY 2021-22 which is proposed to grow to the tune of 10 Crores during the current financial year 2022-23.

Esteemed Clients # Short Run Acquired



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THE RESTORING FOCUS

Capturing The WORLD With Sustainability Products !

Launched in October 2020, RESTORE came into being under the company RACE Eco Chain Ltd. The brand was born to innovate and manufacture Recycled PET Fabric bags and soft home furnishings for the world-wide consumers.

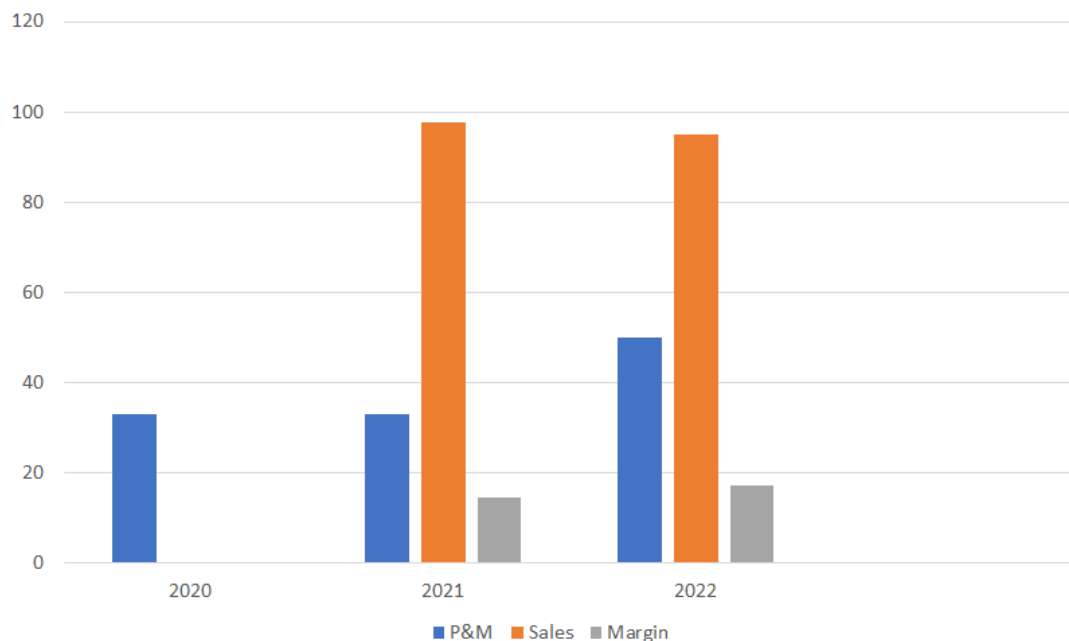
An 8-member marketing team was formed with a small production facility of 20 sewing machines and 36 workers.

RESTORE developed an RPET fabric which carried GRS (Global Recycle Standard) along with SMETA certification. All materials are audited by third party lab for verification.



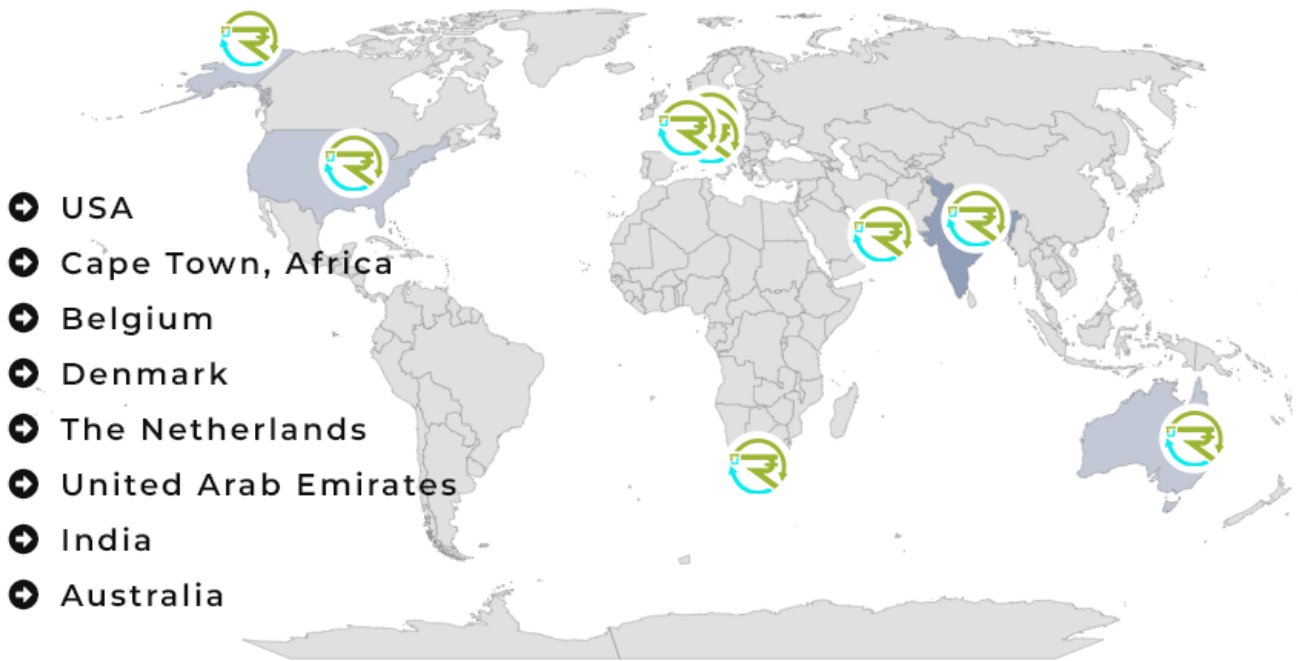
I used to be a plastic bottle

Journey of RESTORE from 2020 – 2022



Bags produced from recycled polyester have the potential to be continuously recycled, promoting a closed-loop system

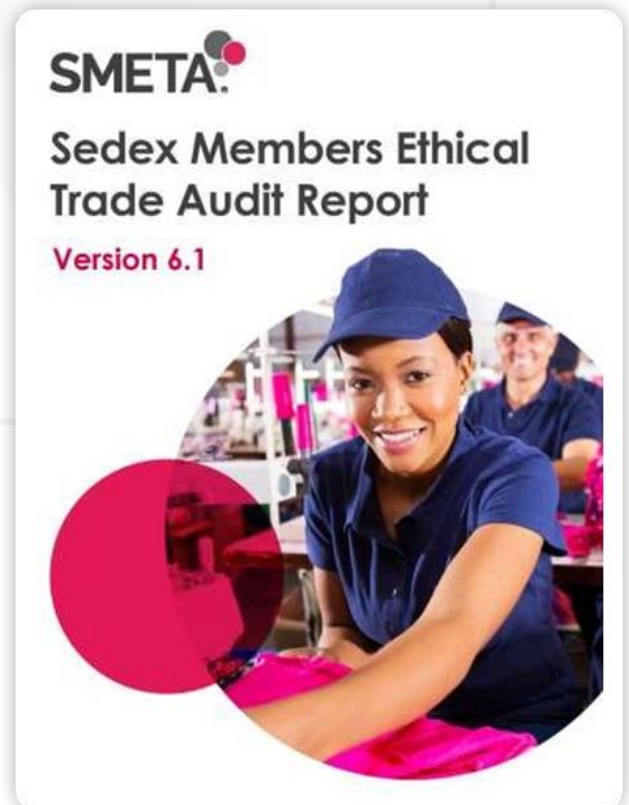
RESTORE products are spreading across the globe!



COMPLIANCES ATTAINED

GRS - Global Recycle Standard
Validity: 17th Sept 2022

SMETA - Sedex certified
Validity: 28th July 2022, under renewal



RESTORE 2.0 – Future

In 2022, RESTORE opened its first showroom with recycled plastic bags and a passion for art, design & making the world a better place.

Today, with a larger workspace, an expanded team of 90 workers, a second factory, 70 sewing machines and a unique product line, the RESTORE goal is to bring artistic, recycled products to individuals and partners, offering a new solution to the reality of plastic waste world over. And, as always, to clean up the community through meaningful opportunities for artistic expression in the process.



Small Multi-utility Bags



Table Mats and Table Runners



Curtains



Cushions



THE OTHER WASTE FOCUS

Spreading Wings # Wastepaper & Waste Metal

Race is also engaged in collection of wastepaper and supplying it for recycling to paper manufacturer. Presently we are supplying to only one manufacturer and propose to add more at later stage. During 2021-22, the company has supplied 13175 MT of paper waste valuing Rs.29.67 crores. The company expects a business of 40 crores during 2022-23 from 15000 MT. The main area of operation is Jaipur in Rajasthan.

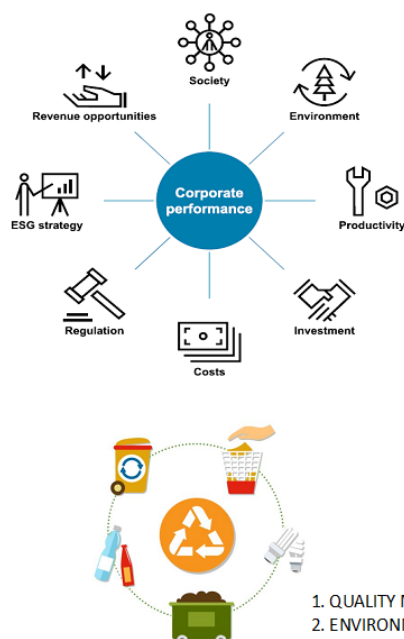
RACE has made an informal tie up arrangement to lift steel pipe waste from one of the leading steel pipe manufacturers and supplying it to recyclers and users. The business is carried out on cash terms. During financial year 2021-22, the company has made a turnover of Rs. 13.28 crores from 2300 MT. The company expects a business of 25 crores during 2022-23 from 3500 MT. The main area of operation is NCR DELHI. Also, the sole product category as on date is Rejected Steel Pipes and we aspire to dig deeper to add on more product lines



The shifting gears of focus leading to # Environmental Social Governance:

ESG | ENVIRONMENTAL , SOCIAL & GOVERNANACE

The Links Between ESG And Financial Performance



STANDARDS & CERTIFICATIONS

OCEAN BOUND PLASTIC (OBP)



ISO certifications:
ISO9001:2015¹
ISO14001:2015²

GLOBAL RECYCLING STANDARDS (GRS)

1. QUALITY MANAGEMENT SYSTEM CERTIFICATION
2. ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATION

UNORGANISED TO ORGANISED: INFORMAL SECTOR COLLECTS MORE THAN 70% OF INDIAN PLASTIC WASTE

- At RACE, we are building an AI-driven (APP- based tech platform), asset-light, end-to-end ESG technology solution which will help grow the unorganized waste management sector to an organized sector. This initiative will result in the upliftment of the sector while creating more visibility for all stakeholders, create better pricing bring in better transparency , **traceability** and ease of doing business in the industry.
- As an equal opportunity employer, we will provide safe and sanitary working conditions, fair wages, retirement benefits, and health insurance for our workers, setting a high bar for social responsibility, unheard of in a largely informal industry.



BETTER QUALITY

Help brands use more recycled plastic than virgin plastic



BETTER PERFORMANCE

Consistent supply will help recyclers optimize cost



BETTER FOR SOCIETY

Setting a high bar for social responsibility, unheard of in a largely informal industry



BETTER FOR EARTH

Efficient processes does not negatively impact the environment

Initiatives # Not Limited to The List



Students App to be launched in DEC 2022 for awareness & changing habits



IoT enabled Smart Bins for Doorstep Collection and Tracking of Waste



Women Empowerment through employment and Sourcing



Working with Government to bring Respect to the workers in waste management

RACE (Recycling and Circular Economy)- an environmentally conscious initiative with a mission to reduce the carbon footprint caused by waste plastic. Our complete vertical set up is responsible from the collection & audit of the 'waste' to the end product using AI & establishing networks to enable Traceability.



Recurring Waste Services

We are RACE having Plastic Waste Management Project - An environmentally conscious initiative with a mission to reduce the carbon footprint caused by waste plastic.



On-Demand Collection

Our set up is responsible from the collection & audit of the 'waste' to the end product using AI & establishing networks.



Sustainability Programs

Sustainable Plastic Waste Management Plan - RACE has built an Artificial Intelligence enabled app, using block chain for secure transactions to connect buyers and sellers.



Global Recycle Standards

Plastic Recycling and Sustainability - Recycled products processed at our GRS certified units come with the Traceable circle of trust, a first time ever!

The Social Media Power # Today's Way !

The Era of Technology, today's world offers opportunities beyond imagination. We must do everything possible to ensure that we optimize the tools available to us to learn, grow and innovate. Team Race is all sold for the power of Data, Analysis, Automation, Artificial Intelligence and the entire buffet which is available to human race. For starters, we will go the conventional way and use the classic recipe of top-notch social media platforms & strategy.

The Playfield



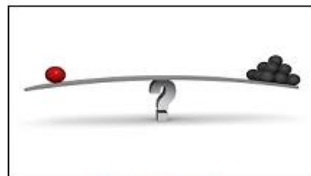
Teams to Play



Win-Win Outcomes



Consolidate



Unity Strength



Identity



Pride & Wealth

Closure Note

At RACE, it has always been our approach to combine technology, design, and human behaviour, to seek upliftment of this largely unorganized sector of waste dealers. We also understand that every stakeholder in this ecosystem has different requirements and based on that we have built platforms. As a result, we are in midst of developing a model of organizing collection directly from the dealers to the recyclers backed by our AI-driven, asset-light model to sort and add value via a complete ESG solution. This is aimed at deploying a complete vertical set-up that is responsible for the collection and audit of the waste to the end product to enable traceability.

In addition, our 'Price discovery formula', which combines high intervention technology with artificial intelligence-enabled online APP, creates a robust transparent system that will help make the sector competitive and will encourage the flow of investments. This domain-centric solution addresses both the uniqueness of the Indian plastic waste system, while at the same time offering opportunities for improvement for all stakeholders in the recycling value chain.

Our APP will connect bulk waste generators like FMCG companies, IT, hospitality firms and the existing eco- chain with recyclers whose livelihoods depend on the supply of waste. Through our platform, they can get a steady supply by simply logging in and buying the material instead of having to deal with hundreds of individual vendors, who may be unreliable and also offer no guarantee of quality. The APP also provides cost benefits because it eliminates several middlemen in the waste management chain and will make sure that no hoardings take place, with the assurance of volumes.

Your company is currently planning to invest its resources to establish and expand its collection network via the numerous IT efforts aforementioned. The IT efforts will focus on continuously infusing future-ready technologies like artificial intelligence, robotics, and automation to drive greater efficiency in the supply chain while delivering cost savings.

RACE Eco Chain Limited's asset-light models consist of warehouses in each district of the country to support recyclers that will be operated by the franchisees themselves. With our source segregation model, we offer interesting value-adding opportunities for waste entrepreneurs—either in up-cycling products directly for consumers or recycling waste for higher industrial consumption. By doing so we can attract more commercial funding and partners throughout the waste value chain - from waste collection and transportation to waste processing. We aim to expand this both in terms of geography and volumes and are working rigorously to further enhance our pan-India, district-wise presence and acceptance amongst the waste management community.

Corporate governance at our core

As a responsible corporate citizen RACE, Eco Chain Limited is committed to maintaining the highest standards of good Corporate Governance in all areas of its operation. The current ecosystem does not have established existing audit processes and we are focused on injecting accountability into the sector.

Our team is committed to the protection of the interest of the shareholders, creditors, investors, clients, and employees etc. Our policies consistently undergo improvements keeping in mind our goal i.e., maximization of value of all the stakeholders.

The goal is being and will continue to be achieved through–

- a. Infusion of the best expertise in the Board Members
- b. Consistent monitoring and improvement of the human and physical resources
- c. Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings

Towards a sustainable, profitable future

In the future, we continue to look at technology to help us build an even more robust business model to enable us to de-risk our business and explore newer boundaries and product segments.

RACE Eco Chain Limited looks to free up the hoarding business into a free-flow, transparent system to bring benefit to the bottom of the pyramid. Our online AI and Big Data-enabled APP seek to bring about scalability and transparency in the supply and demand chain. This sector, being largely unorganized, also cannot reach its fullest potential without this.

It is the result of our combined efforts that have enabled us to reach the milestones that we set for ourselves, and, with your support, we will continue to achieve even greater milestones. The possibilities for technology to empower sustainability and circularity are already here, and the past year has shown that when we come together for a common cause, and we can overcome pressing challenges.

In the end, I want to thank all our partners and stakeholders for their unconditioned support and trust in RACE Eco Chain Limited. I thank all our employees for remaining committed and determined in these tiring times as well.

As a result of our asset-light approach, laden by IoT and tech-driven efforts, many players have been brought into the waste management value chain, helping us to expand our dealers and recyclers' base from just 63 and 44 in March 2021, and we have witnessed a quantum leap of over 1000% to a total of 250 and 50 respectively by end of FY 2022. It is no mean achievement as almost 80% of the ecosystem partners are already part of RACE's ecosystem.

Within a short span, with the help of our existing dealers and recyclers base, we have been able to make our mark across 20 states within India. Currently, RACE Eco Chain Limited is working closely with 17 recyclers pan-India with a collection network of 100+ associates across the map. Going forward RACE Eco Chain Limited intends to create district-wise pan India collection points. This idea has immense scope of growth as the whole business of INR 1,50,000 CR + is just the initial phase of transforming into the sunshine industry.

To achieve these goals, we need to overcome and manage challenges in terms of manpower development and technology. Currently, the scrap industry does not have an ERP software system to manage the day-to-day business activities of the industry. RACE Eco Chain Limited is taking up the challenge to develop an ERP system, with real-time tracking - specifically for the scrap industry that can later be used by others in this field also and going forward set the standard for the waste industry.

We sincerely hope that you would have enjoyed reading through this docket leading to having rush in your blood the way it happens to us every day while we work on building the company for future. I am looking forward to hearing from you should you have any observations, recommendations or queries in this regard. I shall also keep you posted intermediately on the progress we made through various other communication channels available at our disposal. As I sign off, I would like to have you introduced with the team and invite you live life @ Race through some fine memories. Once again, thank you for your trust & encouragement, this means the world to us.

Yours Truly
Sunil Malik
Managing Director

The Board



Mr. Sunil Kumar Malik
Managing Director



Mr. Anshu Aggarwal
Whole Time Director and CFO



Mr. Pranav Vasan
Director



Mr. Rama Nand Gupta
Director



Mr. Sanjay Kukreja
Independent Director



Mr. Anil Kumar Bhel
Independent Director



Ms. Nisha Jain
Independent Director

Our Team



Mr. Ravi Madan
Chief Executive Officer



Mr. Saket Aggarwal
Advisor to Board



Mr. Ajay Garg
Chief Operating Officer



Mr. Anshu Aggarwal
Chief Financial Officer



Mr. Shyam Mohan Gupta
Advisor to MD



Mr. Rakesh Pareekh
Advisor to CEO



Ms. Puja Chadha
Operations Head, Restore







Ms. Puja Malik
Ombudsperson, Restore



Mr. Shiv Kumar Pareek
Zonal Head West
(Procurement)

			
Mr. Ashoke Parik Zonal Head East (Procurement)	Mr. Amandeep Singh Zonal Head North (Procurement)	Mr. Sushant Jain Zonal Head South (Procurement)	Mr. Vaibhav Aggarwal Head Business Development (Biomass Energy)

			
Mr. Sagar Aggarwal Operations Head (Biomass Energy)	Mr. Kamal Sharma Operations Head (Wastepaper)	Mr. Kushal Gupta Chartered Accountant	Ms. Shiwati Gandhi Company Secretary

			
Mr. Nitin Gupta Sales Head	Ms. Snigdha Tiwari Head Logistics	Mr. Harsh Negi Operations Head (Shared Services)	Mr. Ujjwal Kumar Restore Production Head



Mr. Manish Madan
Sr. Merchandiser, Restore



Mr. Kumar Bhaskar
Regional Head, Bihar &
Jharkhand



Mr. Kaushik Ray
Regional Head, West Bengal



Mr. Mohit Kankaria
Regional Head, Tamilnadu



Mr. Shivam Gupta
Regional Head, Andhra
Pradesh



Mr. Kundan Kumar
Regional Head, Orissa



Mr. Kumar Gaurav
Regional Head, Jammu &
Kashmir



Mr. Mukesh Kumar
Regional Head, Delhi NCR



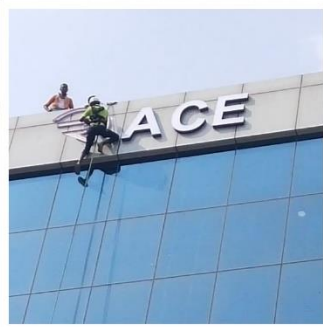
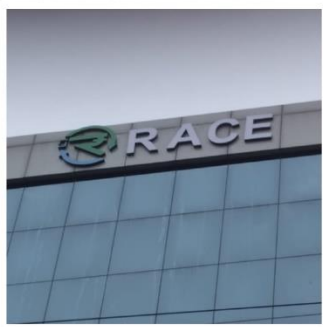
Mr. Himangshu Choudhary
Regional Head, Northeast



Mr. Rohit Sharma
Business Analyst



Walk Down the Memory Lane

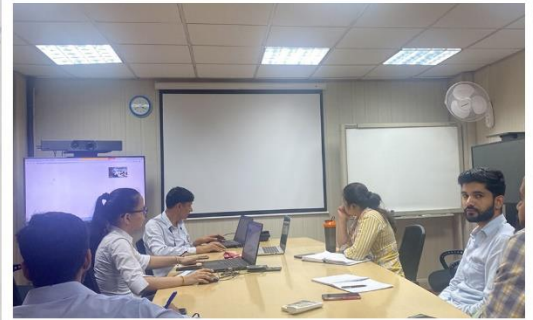












Notice

Notice is hereby given that the **22nd Annual General Meeting** of the Members of the **RACE ECO CHAIN LIMITED** will be held on **Friday, 30th September 2022 at 1:30 P.M** (IST) through Video Conferencing (VC)/ other Audio-Visual Means (OVAM) to transact the following business: -

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ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of Board of Directors and Auditors thereon.
2. To re-appoint Mr. Pranav Vasani (DIN 07631095), who retires by rotation and being eligible, offers himself for re-appointment as a director and in this regard.

SPECIAL BUSINESS: -

3. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution: -**

Regularization of Additional Director, Mr. Rama Nand Gupta (DIN: 03397154), as Director of the company

RESOLVED THAT Mr. Rama Nand Gupta (DIN: 03397154), who was appointed as an Additional Director in the Board Meeting held on 31st August 2022 who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution: -**

Variation in the terms of appointment of Mr. Sunil Kumar Malik (DIN: 00143453), the Managing Director of the Company

RESOLVED THAT Pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provision of the companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the approval of the shareholders of the Company be and is hereby accorded for providing the Remuneration of Rs. 2,00,000/- (Two Lacs Only) Per Month for a period of 3 years w.e.f 01st September 2022 to Mr. Sunil Kumar Malik (DIN: 00143453), who was re-appointed as the Managing Director of the Company in the 21st Annual General Meeting of the Company.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Special Resolution: -**

To Appoint M. Anil Kumar Bhel, (DIN: 00697588), as an Independent Director on the Board of the Company

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Anil Kumar Bhel (DIN: 00697588) who has submitted a declaration that he meets the criteria for independence as provided under the Act and Listing Regulations, be and is hereby appointed as an Non-Executive Independent Director to hold office for a term of 5 (Five) consecutive years with effect from 31st August 2022 to 30th August, 2027, not liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company, be and is hereby authorized to sign and execute the necessary papers, deeds, returns and other documents to be filed with the office of the Register of Companies, NCT of Delhi & Haryana and to do any act, deed, thing, matter, connected with the aforesaid matter or any other matter incidental or ancillary thereto.

**By Order of the Board of Director
Race Eco Chain Limited**

Sd/-

Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar
East Delhi - 110051

PLACE: DELHI

DATED: 31st August 2022

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Notes: -

1. In view of the ongoing COVID-19 pandemic and pursuant to the General Circular nos. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (hereinafter collectively referred to as SEBI Circulars) companies are allowed to hold AGM through Video Conference (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the **22nd AGM** of the Company is being held through VC/OAVM.
2. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Authorized representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. authorizing them to attend the AGM, by e-mail to cs@raceecochain.com.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special business is annexed to this Notice.
5. Notice of the **22nd Annual General Meeting** and the Annual Report for 2022 will also be available on the Company's website www.raceecochain.com for their download. For any communication, the shareholders may also send requests to the Company's investor email id: cs@raceecochain.com. Members are requested to intimate changes in their address immediately to **M/s Bigshare Services Private Limited**, the Company's Registrar and Share Transfer Agents, at their office 1st Floor, Bharat Tin Works Building, Marol Maroshi Road, Andheri (East), Mumbai - 400059.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 24th September 2022 to Friday, 30th September 2022** (both days inclusive) for the purpose of the Annual General Meeting.
7. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as VC/OAVM voting on the date of the AGM will be provided by NSDL.

10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.
12. Members, who are wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (SH-13) of Companies Act, 2013 to M/s Bigshare Services Limited, Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
13. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
14. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self-attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
15. 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 (Record date) Friday September 23rd, 2022.**

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, 27th September 2022 (9:00 am) and ends on Thursday 29th September 2022 (5:00 pm). The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2: Cast your vote electronically on NSDL e-Voting system

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Details on Step 1 is mentioned below: -

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., cast your vote electronically.

4. Your User ID details are given below: -

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

Details on Step 2 is given below: -

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the home page of e-Voting. Click on e- Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

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

General Guidelines: -

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to amitsaxenacs@yahoo.com Please mention the e-mail ID of Scrutinizer>with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@raceecochain.com
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@raceecochain.com

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions

mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@raceecochain.com
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. **Mr. Amit Saxena, Proprietor of M/s. Amit Saxena & Associates** Practicing Company Secretary and has been appointed as the Scrutinizer to scrutinize the e-voting process in affair and transparent manner.
9. The Scrutinizer(s) shall immediately after the conclusion of voting at the meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses, who are not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers' Report of the votes cast in favour or against, if any, not later than 48 (forty-eight) hours of conclusion of the meeting to the Chairman or a person authorized by him in writing, who shall countersign the same. The Chairman or any other person authorized by him in writing, shall declare the results of the voting forthwith.
10. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raceecochain.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

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Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting.

Particulars	Mr. Anil Kumar Bhel (Independent Director)	Mr. Rama Nand Gupta (Executive Director)
Date of Birth	05/07/1958	29/09/1954
Date of first appointment on the Board	31/08/2022	31/08/2022
Qualification	Chartered Accountant	Graduate in Commerce
Experience	More than 40 years	More than 40 years
Terms and Conditions of re- appointment	As per recommendation of Nomination & Remuneration Committee and Board	As per recommendation of Nomination & Remuneration Committee and Board
Remuneration	NA	Last Drawn as on 31.03.2022 was 75000 PM as Chief Strategic Officer Operations
Other Directorships	NIL	NIL
Chairman/ Member of Committee of the Board of other Companies of which he is a Director	NIL	NIL
Shareholding in Race Eco Chain Limited as on 31.03.2021	10000 Shares	5000 Shares

**By Order of the Board of Director
Race Eco Chain Limited**

Sd/-

Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar
East Delhi - 110051

PLACE: DELHI
DATED: 31st August 2022

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Regularization of Additional Director, Mr. Rama Nand Gupta (DIN: 03397154), as Director of the Company

Mr. Rama Nand Gupta was appointed as an Additional Director with effect from 31st August 2022, in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company. The Board is of the view that the appointment of Mr. Rama Nand Gupta on the Company Board is desirable and would be beneficial to the Company.

The Board of Directors recommends the Ordinary Resolution set out at **Item No. 3** of the Notice of AGM for approval of the members.

Except Mr. Rama Nand Gupta and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 4

Variation in the terms of appointment of Mr. Sunil Kumar Malik (DIN: 00143453), the Managing Director of the Company

The Board of Directors on the recommendation of the Nomination & Remuneration Committee have approved the remuneration of Mr. Sunil Kumar Malik (DIN: 00143453) amounting Rs. 2,00,000/- (Rupees Two Lakh Only) Per month for a period of 3 years w.e.f 01st September 2022.

The Board of Directors recommends the Ordinary Resolution set out at **Item No. 4** of the Notice of AGM for approval of the members.

Except Mr. Sunil Kumar Malik and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 5

Appointment of Mr. Anil Kumar Bhel (DIN: 00697588) as an Independent Director of the Company

In terms of the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors has appointed, subject to the approval of the members at the AGM, Mr. Anil Kumar Bhel (DIN: 00697588) as Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from 31st August 2022 till 30th August 2027. Mr. Anil Kumar Bhel has given his consent to act as Director. He has also given declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and he meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations.

In the opinion of the Board, Mr. Anil Kumar Bhel possesses appropriate skills, experience & knowledge which

Would enable the Board to discharge its functions and duties effectively and fulfils the conditions for appointment as an Independent Director as specified in the Act read with rules made thereunder and the Listing Regulations and that he is independent of the management. The disclosures including brief resume and other details prescribed under Regulation 26(4) and 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided above of the Notice. Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members at the Registered Office as well as at Registered Office of the Company on all working days during normal business hours up to the date of AGM.

The terms and conditions of their appointment, being Independent Directors, posted on the Company's website www.raceeco.com

The Board of Directors recommends the Special Resolution set out at **Item No. 5** of the Notice of AGM for approval of the members.

Except Mr. Anil Kumar Bhel and his relatives, to the extent of their shareholdings, if any, none of the Director or Key Managing Personnel of the Company and their relative are in any way concerned or interested, financially or otherwise in this resolution.

**By Order of the Board of Director
Race Eco Chain Limited**

PLACE: DELHI

DATED: 31st August 2022

Sd/-

Sunil Kumar Malik

Managing Director

DIN: 00143453

159 Gagan Vihar

East Delhi - 110051

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Board's Report

To

The Members

Race Eco Chain Limited

Your Directors are pleased to present their 22nd Annual Report on the business and operations of your Company together with the Audited Accounts for the year ended 31st March 2022.

The Financial performance of the Company for year ended 31st March 2022 is summarized below: -

Financial Highlights: -

(Rs. In Lakhs)

Particulars	2021 - 22	2020 - 21
Income from operations	15721.26	5871.63
Other Income	162.43	250.13
Total Income	15883.69	6121.76
Less: Expenditure	15777.59	5974.42
Profit/(Loss) before Interest, Depreciation & Tax	106.10	147.33
Less: Interest & Depreciation	NIL	NIL
Profit & Loss Before Tax	106.10	147.33
Less: Tax Expense	18.57	49.12
Add: Deferred Tax	4.20	1.43
Profit/(Loss) after Tax	91.72	99.64
Profit for the Year	91.72	99.64

Company Performance Overview

During the year under review, total income was Rs. 15883.69 Lacs as compared to Rs. 6121.76 Lacs in 2021. Net Sales for the current financial year were Rs. 15721.26 Lacs as compared to Rs. 5871.63 Lacs in 2021. Profit after tax (PAT) stood at Rs. 91.72 Lacs as Compared to Rs. 99.64 Lacs in 2021.

Reserve & Surplus

During the Financial year 2021-2022 Rs 91.72 Lacs amount to carry or transfer to Reserve & Surplus Account under Companies Act, 2013.

Dividend

In view of the requirement of the profits for strengthening of the company, your directors have decided to plough back the profit into the business hence no dividend could be recommended for the year under review.

Share Capital

The paid-up Equity Share Capital as on March 31, 2022, was Rs.164322000. During the year under review the company has not issued any shares or any convertible instruments.

Subsidiary Company/Associate/Joint Venture

There has been no subsidiary, Associate and Joint Venture companies during the year, as such; the requirement of furnishing information relating to performance and financial position of the subsidiary, Associate and Joint Venture companies is not applicable.

Investor Complaints and Compliance

During the year review no such cases were registered on SCORES Portal of SEBI from any investor of the Company.

Directors and Key Managerial Personal

During the year under review, there is no change in the Board of the Directors of the Company and Key Managerial Personal except the following: -

The Details of Directors and KMP are as Follows: -

Name of the Person	Designation
Pranav Vasan	Director
Puneet Bhawaker	Independent Director Resigned on 31.08.2022*
Mrs. Nisha Jain	Independent Director
Mr. Sanjay Kukreja	Independent Director
Mr. Sunil Kumar Malik	Managing Director
Mr. Rama Nand Gupta	Director Appointed on 31.08.2022*
Mr. Anil Kumar Bhel	Independent Director Appointed on 31.08.2022*
Mr. Anshu Agarwal	Whole-Time Director & Chief Financial Officer
Ms. Shiwati Gandhi	Company Secretary & Compliance officer

In accordance with the provisions of Companies Act, 2013 Mr. Pranav Vasan (DIN 07631095), Executive Director retires by rotation and being eligible offers himself for re-appointment.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any. That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2022, and of the profit of the Company for the year ended on that date.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual financial statements have been prepared on a going concern basis.

- d. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Declaration from Independent Directors

All independent directors except Mrs. Nisha Jain have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to not passing of Independent Directors Exam.

But Mrs. Nisha Jain will apply for the restoration of his name as per Govt Notification dated 10.06.2022.

Committees

As on date of this Report, The Board has three Committees: -

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders' Relationship Committee

Audit Committee

The company is having an audit committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Puneet Bhawaker	Chairman	Non-Executive & Independent (Resigned on 31.08.2022)
Anil Kumar Bhel	Chairman	Non-Executive & Independent (Appointed on 31.08.2022)
Sanjay Kukreja	Member	Non-Executive & Independent
Anshu Agarwal	Member	Executive Director

Nomination and Remuneration Committee

The company is having a Nomination and Remuneration Committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Sanjay Kukreja	Chairman	Non-Executive & Independent
Puneet Bhawaker	Member	Non-Executive & Independent (Resigned on 31.08.2022)
Anil Kumar Bhel	Member	Non-Executive & Independent (Appointed on 31.08.2022)
Nisha Jain	Member	Non-Executive & Independent

Stakeholders' Relationship Committee

The company is having a Stakeholders Relationship Committee comprising of the following Members which reconstitute as follows:

Name	Status	Category
Nisha Jain	Chairman	Non-Executive & Independent
Puneet Bhawaker	Member	Non-Executive & Independent (Resigned on 31.08.2022)
Anil Kumar Bhel	Member	Non-Executive & Independent (Appointed on 31.08.2022)
Sanjay Kukreja	Member	Non-Executive & Independent

As per Regulation 21 of SEBI (LODR), Regulations, 2015, the Board needs to constitute Risk Management Committee, wherein majority of the members of Risk and Management Committee should consists of Members of Boards. This regulation is applicable only to top 100 listed entities, determined on the basis of market capitalization, as at the end of the preceding financial year. Since your Company is not amongst top 100 listed entities, your Company has not constituted a Risk Management Committee.

In line with the provisions of the Act and SEBI (LODR), the Company has devised and implemented a vigil mechanism, in the form of "Whistle Blower Policy". As per the Policy, the Company has an internal committee comprising of the Head-HR and the Compliance Officer of the Company to address the functioning of the vigil mechanism as mandated by the Act and assist the Audit Committee thereunder.

Board Meetings

During the year 5 Board Meetings and one independent directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were adhered to while considering the time gap between two meetings. During the year under review, the Independent Director met on March 11, 2022.

Compliance with Secretarial Standards

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

Related Party Transactions

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. All transactions entered with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC- 2 is not required. Related party transactions have been disclosed under the **Note 32** of the financial statements in accordance with INDAS 24.

A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval (if any occurred). As required under Regulation 23 of the Listing Regulations, the Company has formulated a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is available on the website of the Company

Auditors

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Garg Arun & Associates Chartered Accountants (Firm Registration No. 08180N), were appointed as the Company's Statutory Auditors by the shareholders at their 21st AGM held on September 30, 2021, for a period of five years (i.e.) till the conclusion of the 26th Annual General Meeting.

The reports of Statutory Auditors on Financial Statements for the financial year 2021-22 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer, or emphasis of matter in the Auditors' Reports.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s. R. Miglani & Co., (CP No: 11273, FCS: 30016)**, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as '**Annexure 1**' to this report.

Internal Auditors

M/s. SSAR & Associates, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

Reporting of Frauds

There was no instance of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(12) of the Act and Rules framed thereunder.

Listing

The Equity Shares of the Company was listed at BSE Limited on SME Platform as on 31st March 2022 but after the closure of the financial year the Company applied for the Migration on the Main Board of the BSE and NSE.

The Company got In-Principal approval from the BSE on 28th July 2022 and now in process of Trading Approval.

Board Evaluation

Pursuant to the provisions of companies Act, 2013 and (Listing Obligation and Disclosure Requirement) Regulation 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

Business Risk Management

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with Regulation 17(9) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing, and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating, and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

Policy on Directors' Appointment and Remuneration

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management, and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Material changes and commitments, if any, affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report.

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2021-2022 and the date of this Report. Further, there was no change in the nature of business of the Company.

Significant and Material Orders Passed by the Regulators or Courts

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

Information Technology and Communications

During the financial year 2021-2022, apart from upgrading the existing software applications with enhanced/ added features to meet the current and emerging business needs, certain new application systems were implemented. Regular Updation of Systems and procedures is undertaken from time to time to provide checks and alerts for avoiding fraud arising out of misrepresentation given by borrower/s while availing loans.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended, the relevant information is given below:

Conservation of Energy

The Company's operations are not power intensive. Nevertheless, your Company is taking every step to conserve and minimize the use of energy wherever possible such as using energy efficient computer terminals, purchasing energy efficient equipment etc.

Research and Development

The Company has no formal research and development department, but the Company is continuously making efforts to strengthen research and development activities to improve quality and reduce cost.

Technology Import and Absorption

The Company has imported no technology. Indigenous technology available is continuously upgraded to improve overall performance.

Foreign Exchange Earnings and Out Go

Particulars	2021-22	2020-21
Foreign Exchange Outgo	0.29	Nil
Foreign Exchange Earnings	384.49	346.26

Extracts of Annual Return

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2021-22, is available on the Company's website at www.raceecochain.com

Corporate Governance

According to the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditors confirming compliance forms an integral part of this Report. The Report on Corporate Governance by Auditor is forming part of Annual Report as an **Annexure-2**

Management Discussion and Analysis Report

Pursuant to the Regulation 34 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Management Discussion and Analysis is a forming part of this Annual Report.

Public Deposit

Your Company has not accepted any deposits from the public during the year under review.

Corporate Social Responsibility

The Board of Directors of the Company hereby confirms that the provisions of Section 135(1) of the Companies Act, 2013 is not applicable to our company.

Bonus Issue

The Company has not allotted a bonus issue of Shares during the year.

Auditors' Report

The Auditors' observations are self-explanatory and hence do not call for any further clarification under section 134(5) of the Companies Act, 2013.

Earnings per Share (EPS)

The Earnings per Share (EPS) is Rs. 0.56 as of March 31, 2022, as against Rs. 0.61 as of March 31, 2021.

Regulatory Guidelines/Amendments

The Company has also been following directions, guidelines, circulars issued by RBI, SEBI, BSE, MCA, from time to time pertaining to listed companies.

Codes and Standards Fair Practice Code

The Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with customers and on the organization's policies vis-à-vis client protection.

Internal Control System and their Adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use, or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

Vigil Mechanism / Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity, and ethical behavior the company has adopted a vigil mechanism policy. The Vigil Mechanism / Whistle Blower Policy will be posted on company website.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments is given by the Company under Section 186 of the Companies Act, 2013 and other detailed are mentioned in Notes to Accounts of the Financial Statements.

Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your corporation is committed to prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In this regard, internal complaints committees have been constituted to deal with sexual harassment complaints, if any and conduct enquires. There were no complaints received of sexual harassment during the financial year 2021-2022.

Code of Conduct

Company has adopted Code of Conduct for its Board Members and Senior Management personnel. The code of conduct has also been posted on the official website of the Company. The declaration by the Managing Director of the Company regarding compliance with the Code of Conduct for Board Members and Senior Management is annexed with the Corporate Governance Report.

Code for Prevention of Insider Trading Practices

Your Company has formulated and adopted a Code for Prevention of Insider Trading Practices in accordance with the model code of conduct as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The code is applicable to all directors, senior employees, and their dependents. The said persons are restricted from dealing in the securities of the Company during the 'restricted trading periods' notified by the Company, from time to time. The code for prevention of Insider trading has also been posted on the official website of the Company

Nomination and Remuneration Policy

The Company has implemented an Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report, attached to this Report.

Particulars of Employees

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-3** which forms part of this Report.

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Note of Appreciation

The Directors place on record their appreciation for co-operation and support extended by the Government, RBI, Banks, SEBI, Shareholders, Bankers to issue, RTA and customers for their continued support extended to the company at all times. The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year.

**By Order of the Board of Director
Race Eco Chain Limited**

PLACE: DELHI
DATED: 31st August 2022

Sd/-

Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar
East Delhi - 110051

Sd/-

Anshu Agarwal
WTD & CFO
DIN: 08192908
EE-106, Avantika,
Extension, Ghaziabad-
201002

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Annexure-1

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2022

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

To,

The Members,

Race Eco Chain Limited

Unit No.203, Plaza- P 3,

Central Square, Bara Hindu Rao, Delhi-110006.

I have conducted the Secretarial Audit of the compliance of applicable, statutory provisions and the adherence to good corporate practices by **Race Eco Chain Limited (Earlier known as Anisha Impex Limited)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Opinion

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Financial Year ended on **March 31st, 2022**, and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing.
- 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 (Not Applicable to the Company during the Audit Period).
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period).
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

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

- I. The Secretarial Standards issued by the Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under audit and review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except.

- 1. Please refer Annexure B' Discrepancies found during our audit on page no. 5 attached to this report.

I further report that, there were no events / actions in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, requiring compliance thereof by the Company during the financial year.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Financial Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws.

I further report that.

- 1. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
- 2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with in prescribed limit, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

I 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.

I further report that during the audit period the company has not made any major changes in the following events/actions in pursuance of the below law, rules, regulations, and guidelines.

1. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
2. Redemption / buy-back of securities
3. Foreign technical collaborations

**For R MIGLANI & CO.
Company Secretaries**

Sd/-
CS Rajni Miglani
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 05th August 2022
UDIN: A030016D000748613

This report is to be read with our letter of even date which is annexed Annexure-a and b and form part of this report

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Annexure-(a)

To,

The Members,

Race Eco Chain Limited

Unit No.203, Plaza- P 3,

Central Square, Bara Hindu Rao, Delhi-110006.

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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I 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 procedures on test basis.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-

CS Rajni Miglani
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI

DATED: 05th August 2022

UDIN: A030016D000748613

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Annexure (b)

Discrepancies Found During Our Secretarial Audit

Ms. Nisha Jain, Independent director on the Board of the Listed entity has not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and her name stand removed from Independent Director's Databank.

However as confirmed by the management of the Company and pursuant MCA's notification dated 10.06.2022, Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022, The management is under process of restoring the name of Ms. Nisha Jain to Independent Director's Databank & complying the conditions thereof.

As per our report on Annual Secretarial Compliance of Listed entity dated 16th May, 2022 Mr. Puneet Bhawaker, Independent director on the Board of the Listed entity have not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and their names stand removed from Independent Director's Databank.

However, The Listed entity on 31.05.2022 has received email regarding Annual Report on Capacity Building of Independent Director from Independent Directors' Databank, Indian Institute of Corporate Affairs. As per the email, Mr. Puneet Bhawaker, Independent director of the Company is exempted from passing online proficiency self-assessment test and the requirement of passing the said test are not applicable on him.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-

CS Rajni Miglani
Proprietor
M. No.: 30016
C.O.P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 05th August 2022
UDIN: A030016D000748613

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Annexure-2

Corporate Governance Report

Corporate Governance

The Directors present the Company's Report on code of Corporate Governance for the Year end March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Philosophy

As a responsible corporate citizen **RACE ECO** is committed to maintain the highest standards of good Corporate Governance in all areas of its operation. Our Team is committed towards the protection of the interest of the Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e., maximization of value of all the stakeholders.

The goal is achieved through–

1. Infusion of best expertise in the Board Members.
2. Consistent monitoring and improvement of the human and physical resources.
3. Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

Composition of Board

The Board has six members out of which three are Non-Executive Independent Directors including a Woman Director with one Executive Chairman and Managing Director, another is Executive Director & CFO, and one is Non- Executive Director. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking, and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day-to-day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The maximum tenure of Independent Directors is up to five consecutive years from the date of their appointment. The date of appointment and tenure of the existing Independent Directors are given below:

-

S. No	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1.	Puneet Bhawaker	29.09.2018	29.09.2023
2.	Sanjay Kukreja	30.09.2019	30.09.2024
3.	Nisha Jain	30.09.2020	30.09.2025

Key Functions of Board

- Reviewing and guiding corporate strategy, major plans of action, annual budgets, and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions, and divestments.
- Monitoring effectiveness of the Company's governance, policies & practices and making changes as needed.
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning.
- Aligning Key Managerial Personnel and Board remuneration with the long-term interests of the Company and its shareholders.

- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective, and gender in the Board.
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force.
- Overseeing the process of disclosure and communications.
- Monitoring and reviewing Board's Evaluation framework.

Meeting of Board of Directors

During the financial year under review, the Board met 5 times i.e., on 25.06.2021, 31.08.2021, 06.10.2021, 14.11.2021, and 11.03.2022.

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the provisions of the Companies Act, 2013, Secretarial Standard-1 and Listing Regulations.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time, and meet as frequently as the situation warrants to properly discharge their responsibilities.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/respective Committee in its next Meeting.

Composition of the Board of Directors as on March 31, 2022, and attendance at the Board Meetings held during the Financial Year ended March 31, 2022, and at the last Annual General Meeting ('AGM') are given in table below:

S. No	Name of Director	Category	Board Meeting Attended	AGM Attended
1.	Puneet Bhawaker	Independent Director	6	Yes
2.	Sanjay Kukreja	Independent Director	6	Yes
3.	Nisha Jain	Independent Director	6	Yes
4.	Sunil Kumar Malik	MD & Chairman	6	Yes
5.	Anshu Agarwal	WTD & CFO	6	Yes
6.	Pranav Vasan	Director	6	Yes

Other Directorship

The composition and category of the Board of Directors as of March 31, 2022, the number of other Directorships/Committee memberships are as under: -

Name of Directors	Designation	No. Of Directorship		No. Of Committee Positions	
		Public	Private	Member	Chairman
Sunil Kumar Malik DIN:00143453	MD & Chairman	1	6	Nil	Nil
Anshu Agarwal DIN NO: 08192908	Executive Director	Nil	1	Nil	Nil
Nisha Jain DIN: 00270098	Non-Executive Independent Director	Nil	1	Nil	Nil
Sanjay Kukreja DIN: 08506956	Non-Executive Independent Director	1	Nil	One	One
Puneet Bhawaker DIN:06971183	Non-Executive Independent Director	Nil	5	Nil	Nil
Pranav Vasan DIN:07631095	Director	Nil	2	Nil	Nil

Relationship between directors

None of the Directors are related to each.

Information given to the Board

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

Annual operating plans, budgets, and any updates.

Capital budgets and any updates.

Annual and Quarterly results of the Company and its operating divisions or business segments.

Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors.

Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary

Show cause, demand, prosecution notices and penalty notices, which are materially important.

Fatal or serious accidents, dangerous occurrences, any material effluent, or pollution problems.

Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.

Issue which involves possible public, or product liability claims of substantial nature.

Details of any joint venture or collaboration agreement.

Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.

Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front.

Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.

Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement if material.

Minutes of Board Meetings of unlisted subsidiary company(s).

Statement of significant transactions or arrangements made by unlisted subsidiary companies.

Non-compliance of any regulatory, statutory, or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.

Quarterly statement showing status of investors complaints.

Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any.

Quarterly Compliance Report on Corporate Governances.

Board Process

The Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors at least 7 days before the meetings.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

The Company has complied with the Secretarial Standard-1 on Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

Independent Directors Meeting

Independent Directors met on March 11, 2022, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2022. They also assessed the quality, content, and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors

In Compliance with the Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors.

Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors.

The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

Major Committees are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

Terms of Reference:

Audit Committee are formulated in accordance with the regulatory requirements Mandated by the Act and Listing Regulations which, interalia, includes the following: -

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
5. Recommending the appointment, remuneration, terms of appointment and scope of Statutory Auditors of the Company and approval for payment towards any other service;
6. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
7. Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted;
8. Reviewing, approving or subsequently modifying transactions of the Company with related parties; and
9. Review compliance with provisions of Securities Exchange Board of India (Prevention of Insider Trading) Regulation, 2015 (including any amendment(s) or modification(s) from time to time) at least once in a financial year and verify that the systems for internal controls for ensuring compliance to these Regulations, are adequate and are operating effectively.

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Meeting, Quorum and Attendance

Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the financial year under review 2021-22 the Committee Members met 4 times i.e. on 25.06.2021, 31.08.2021, 14.11.2021 and 11.03.2022

S. No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker	4	4
2.	Anshu Agarwal	4	4
3.	Nisha Jain	4	4

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 with Part D of Schedule II to the SEBI Listing Regulations, 2015

Terms of Reference:

The terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:-

1. Formulate a criterion for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
3. Devise a policy on Board Diversity;
4. Identify 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 their appointment and removal;
5. Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
6. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;
7. Recommend to the Board all remuneration, in whatever form, payable to Senior Management;
8. Play the role of Compensation Committee and to act as an administrator to any of the Employees' Stock Option Schemes (as may be notified from time to time); and
9. Undertake any other matters as the Board may decide from time to time.

Meeting, Quorum and Attendance

The Committee meets at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least 1 Independent Directors.

During the financial year under review 2021-2022 the Committee Members met 2 times i.e., on 31.08.2021 and 11.03.2022

S. No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker	2	2
2.	Sanjay Kukreja	2	2
3.	Nisha Jain	2	2

Stakeholders Relationship Committee

The Stakeholders' Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for inter alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations, 2015. Additionally, the Board has authorised the Company Secretary to exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

Terms of Reference:

The terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following: -

1. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, issue of new /duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notice by the shareholders of the Company; and
6. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

Meeting, Quorum and Attendance

The Committee meets at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee,

During the financial year under review 2021-2022 the Committee Members met 2 times i.e., on 31.08.2021 and 11.03.2022

S. No	Name of Director	Meeting Held	Meeting Attended
1.	Puneet Bhawaker	2	2
2.	Sanjay Kukreja	2	2
3.	Nisha Jain	2	2

During the FY 2021-22, No complaint was pending as on March 31, 2022

During the FY 2021-22, The Company had 591 shareholders as on March 31, 2022.

Compliance Officer

Ms. Shiwati Gandhi, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations, 2015 and she was appointed on November 12, 2020 as Company Secretary and Compliance Officer of the Company.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors

(A) Remuneration to Executive Directors

Remuneration paid to Chairman and Managing Director during financial year 2021-22 is Rs. 9.00 Lac p.a

Remuneration paid to Whole Time Director and CFO during financial year 2021-22 is Rs. 9.41 Lac p.a

(B) Remuneration to Non-Executive Directors

Mr. Puneet Bhawaker, Mr. Sanjay Kukreja, and Mrs. Nisha Jain, Non-Executive Director, have opted not to receive any remuneration.

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission as approved by the Board and members as and when required. The criteria have been defined in the Nomination and Remuneration Policy of the Company.

General Body Meetings:

The details of date, time and location of annual general meetings held in the last three years are as under:-

Year	Date of AGM	Day	Time	Venue
2020-21	30.09.2021	Thursday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006
2019-20	30.09.2020	Wednesday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006
2018-19	30.09.2019	Monday	11.30 A.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006

No. of Special resolutions passed during the last three AGM's: -

AGM	No. of Special Resolution
2020-21	1
2019-20	2
2018-19	4

Subsidiary Company

There is no subsidiary company.

Proceeds from Public issue, Rights issue, Preferential issue

During the period there is no any further issue of equity share capital.

Codes and Policies

Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Sunil Kumar Malik, Managing Director and Mr. Anshu Agarwal, CFO is enclosed as **Annexure-(P)**

The Board of the Directors and Compliance Officer is responsible for setting forth policies and codes on behalf of the Company and they have Formulate the following Polices and its available on the website of the company:-

- Policy for Determining the Material Subsidiary
- Policy for Dealing with Related Party Transactions
- Code of Conduct for Insider Trading
- Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information
- Whistle Blower Policy

Disclosures

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Race Eco Chain Limited ('the Company'). We believe that an active, well-informed, and independent board is necessary to ensure the highest standards of Corporate Governance.

- (a) The Company had not entered into any transaction of a material nature, which will have a conflict with its interest during the year. The disclosure of related party transactions as required by the Accounting Standard (AS) 18 on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India (ICAI). All the transaction covered under related party transaction were fair, transparent and at arm's length.
- (b) The Company has complied with various rules and regulations prescribed by the Stock Exchange, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years.
- (c) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d) During the year under review, the Company did not raise any proceeds through a public issue, rights issue and/or preferential issue.
- (e) During the year, no complaint was filed, disposed, and pending in relation to Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

General Shareholders' Information

Date & Time	30.09.2022, 01:30 PM
Venue	Unit No.203, Plaza- 3, Central Square Bara Hindu Rao, Delhi - 110006.
Financial Year	2021-2022
Date of Book Closure	Saturday, 24 th September 2022 to Friday, 30 th September, 2022
Dividend Payment Date	N. A
Listing on Stock Exchange	The Equity Shares of the Company was listed at BSE Limited on SME Platform as on 31 st March 2022 but after the closure of the financial year the Company applied for the Migration on the Main Board of the BSE and NSE. The Company got In-Principal approval from the BSE on 28 th July 2022 and now in process of Trading Approval.
Scrip Code/Symbol	537785
NSDL/CDSL-ISIN	INE084Q01012
CIN Number	L17101DL1999PLC102506
RTA	Big share Services Private Limited 1 st Floor, Bharat Tin Works Building Marol Maroshi Road, Andheri (East), Mumbai-400059

Market Price Data:

The Month High and Low Prices during the year at Bombay Stock Exchange are as follows: -

Month	High	Low
April 2021	261.50	225.00
May 2021	242.75	217.00
June 2021	254.10	204.00
July 2021	251.00	212.10
Aug 2021	224.75	202.00
Sep 2021	245.00	204.00
Oct 2021	250.00	217.55
Nov 2021	225.00	206.00
Dec 2021	215.00	197.00
Jan 2022	213.00	199.10
Feb 2022	210.00	161.00
Mar 2022	181.00	166.05

Share Holding Pattern of the Company as on 31.03.2022

Category	No. of Shares	% (Percentage)
Promoters	7360100	44.79%
Body Corporate	1535625	9.35%
Public	7236424	44.04%
Market Maker	300000	1.83%
Clearing Member	51	0.00%
Total	16432200	100%

Distribution of Shareholding as on 31.03.2022

No. of Shares Held	No. of Shareholders	Percentage (%)	Share Amount	% Of Total
1-5000	2	0.33	5010	0.0030
5001-10000	117	19.79	730740	0.4447
10001-20000	103	17.42	1431250	0.8710
20001-30000	48	8.12	1192000	0.7254
30001-40000	26	4.39	916250	0.5576
40001-50000	60	10.15	2968750	1.8067
50001-100000	117	19.79	10687500	6.5040
100001-9999999999999999	118	19.96	146390500	89.0876
Total	591	100	164322000	100

Share Transfer System

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Big Share Services Private Limited handles both Demat and Physical Shares Transfers. The Share Transfers which are received in physical form are processed and the share certificates are returned within 21 days from the date of receipt, subject to Documents being valid and complete in all respects. As on 31st March 2021, a total of 16432200 Equity shares are in dematerialized form representing 100% of total issued, subscribed, and paid - up share capital of the Company. The Equity Shares of the Company are regularly traded on BSE Limited.

Certification of Non-Disqualification of Directors from Company Secretary in Practice

Pursuant to Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **M/s. R. Miglani & Co., Company Secretary in Practice**, has issued a certificate as required under the Listing regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-(Q)**

Compliance Certificate from the Practicing Company Secretary on Corporate Governance

The Company has obtained a Certificate from **M/s. R. Miglani & Co., Company Secretary** in Practice confirming compliance of conditions of Corporate Governance as stipulated in Schedule V (E) of the SEBI Listing Regulations, 2015. The Certificate is attached as **Annexure-(R)**

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MD/CFO Certification

In compliance with Regulation 17(8) read with Schedule II (B) of the SEBI Listing Regulations 2015, a declaration by **Managing Director and CFO** is enclosed as **Annexure-(S)** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments: NIL

Address for Correspondence

Race Eco Chain Limited

R/o. Unit 203 Plaza P-3 Central Square Bara

Hindu Rao New Delhi-110006

Email: cs@raceecochain.com, Website: www.raceecochain.com

Address of Factory

56/33 Site-IV, Industrial Area Sahibabad,

Ghaziabad Uttar Pradesh-201010

**By Order of the Board of Director
Race Eco Chain Limited**

**Sd/-
Sunil Kumar Malik
Chairman**

PLACE: DELHI
DATED: 31st August 2022

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Annexure (P)

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2022.

**By Order of the Board of Director
Race Eco Chain Limited**

PLACE: DELHI
DATED: 31st August 2022

Sd/-
Sunil Kumar Malik
Chairman

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Annexure (Q)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

**The Members,
Race Eco Chain Limited
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006**

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Race Eco Chain Limited (Earlier known as Anisha Impex Limited) (CIN: L37100DL1999PLC102506) I hereby certify that, On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2022, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

**For R MIGLANI & CO.
Company Secretaries**

**Sd/-
CS Rajni Miglani**
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 05th August 2022
UDIN: A030016D000751431

Note- This certificate is to be read with our letter of even date which is annexed as Annexure Q1

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Annexure Q1

To,
The Members,
Race Eco Chain Limited
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006

My certificate of even date is to be read along with this letter, while reviewing the requirement of corporate governance we have found and noted the following.

Ms. Nisha Jain, Independent director on the Board of the Listed entity has not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and her names stand removed from Independent Director's Databank.

However as confirmed by the management of the Company and pursuant MCA's notification dated 10.06.2022, Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022, The management is under process of restoring the name of Ms. Nisha Jain to Independent Director's Databank & complying the conditions thereof.

As per our report on Annual Secretarial Compliance of Listed entity dated 16th May, 2022 Mr. Puneet Bhawaker, Independent director on the Board of the Listed entity have not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and their names stand removed from Independent Director's Databank.

However, The Listed entity on 31.05.2022 has received email regarding Annual Report on Capacity Building of Independent Director from Independent Directors' Databank, Indian Institute of Corporate Affairs. As per the email, Mr. Puneet Bhawaker, Independent director of the Company is exempted from passing online proficiency self-assessment test and the requirement of passing the said test are not applicable on him.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-
CS Rajni Miglani
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 05th August 2022
UDIN: A030016D000751431

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Annexure (R)

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006

1. I have examined the compliance of the conditions of Corporate Governance by Race Eco Chain Limited (Earlier known as Anisha Impex Limited) (CIN: L37100DL1999PLC102506) ('the Company') for the financial Year ended on 31st of March 2022, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me and the representation made by the directors and the management, I hereby certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 5.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-
CS Rajni Miglani
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 05th August 2022
UDIN: A030016D000751440

Note- This certificate is to be read with our letter of even date which is annexed as Annexure R1 and forms an integral part of this certificate.

Annexure R1

To,
The Members,
Race Eco Chain Limited
(Earlier known as Anisha Impex Limited)
Unit No.203, Plaza- P 3,
Central Square, Bara Hindu Rao, Delhi-110006

My certificate of even date is to be read along with this letter, while reviewing the requirement of corporate governance we have found and noted the following.

Ms. Nisha Jain, Independent director on the Board of the Listed entity has not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and her names stand removed from Independent Director's Databank.

However as confirmed by the management of the Company and pursuant MCA's notification dated 10.06.2022, Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022, The management is under process of restoring the name of Ms. Nisha Jain to Independent Director's Databank & complying the conditions thereof.

As per our report on Annual Secretarial Compliance of Listed entity dated 16th May, 2022 Mr. Puneet Bhawaker, Independent director on the Board of the Listed entity have not passed online proficiency self-assessment test within a period of Two years from the date of inclusion of her name in the databank, hence it is a non-compliance of the provisions rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and their names stand removed from Independent Director's Databank.

However, The Listed entity on 31.05.2022 has received email regarding Annual Report on Capacity Building of Independent Director from Independent Directors' Databank, Indian Institute of Corporate Affairs. As per the email, Mr. Puneet Bhawaker, Independent director of the Company is exempted from passing online proficiency self-assessment test and the requirement of passing the said test are not applicable on him.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-
CS Rajni Miglani
Proprietor
M. No.: 30016
C.O .P No: 11273
PCRN: 2392/2022

PLACE: DELHI
DATED: 31st August 2022
UDIN: A030016D000751440

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Annexure (S)

CERTIFICATE OF MD/CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to certify that: -

- a) We have reviewed financial statements and the cash flow statement for the year 2021-22 and that to the best of our knowledge and belief: -
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) 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 violate of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated, wherever applicable, to the auditors and the Audit committee: -
- significant changes, if any, in internal control over financial reporting during the year.
 - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 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.

**By Order of the Board of Director
Race Eco Chain Limited**

PLACE: DELHI
DATED: 31st August 2022

Sd/-
Sunil Kumar Malik
Managing Director

Sd/-
Anshu Agarwal
WTD & CFO

Annexure-3

PARTICULARS OF EMPLOYEES

Information relating to remuneration of Directors / Key Managerial Personnel as required Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows: -

The company has 2 Executive Director, remuneration paid under ceiling limit of Companies Act, 2013. Further, no sitting fee has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-2022	Remuneration of Director/KMP for financial year 2020-2021	Ratio of remuneration of each Director /to median remuneration of employees
Sunil Kumar Malik Managing Director	900000	1800000	NIL
Anshu Agarwal WTD & CFO	941000	936000	NIL
Shiwati Gandhi Company Secretary	365000	30,000 PM (w.e.f) from November 2021	NIL

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

Total number of employees of the Company as on March 31, 2022, was 53

**By Order of the Board of Director
Race Eco Chain Limited**

Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453
159 Gagan Vihar East Delhi - 110051

PLACE: DELHI
DATED: 31st August 2022

**INDEPENDENT AUDITOR'S REPORT****To the members of RACE ECO CHAIN LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the Financial Statements of **RACE ECO CHAIN LIMITED**, which comprise the balance sheet as of **31st March 2022**, and the statement of Profit & Loss, and statement of cash flows for the year ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial Statements give the information required by the Act in the manner of so required and give a true and fair view in conformity with the accounting principles accepted in India, of the state of affairs of the company as of March 31st, 2022, and its Profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matter is those matter that, in our professional judgment, were of most signification in our audit of the financial statements of the current period. These matters were addressed in the context of our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the matter was addressed in our audit
<u>Leases</u>	
<ul style="list-style-type: none">Ind AS 116- "Leases" introduces a new lease accounting model, whereby lessees are required to recognize a right of use assets (ROU) and lease liability arising from a lease on its balance sheet. Significant judgement is required in determining whether a contract is appropriately identified as being within or outside the scope of Ind AS 116, assessment of lease term and determination of appropriate incremental borrowing rate thereby affecting the measurement of lease liability and	<p>In view of the significance of the matter we applied the following audit procedures in this area, among other procedures, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none">a) We assessed the appropriateness of the accounting policy for leases.b) We examined relevant contracts on sample basis to identify those which may contain a

<p>corresponding ROU assets. In view of the above we have identified measurement of lease liability and corresponding ROU asset determination as a key audit matter.</p>	<p>lease and tested whether the same has been so accounted for.</p> <p>c) We examined sample contracts to evaluate whether companies determination of the lease term is appropriate.</p> <p>d) On the sample basis, we have assessed the appropriateness of incremental borrowing rate considered for calculating the lease obligation. We have also involved specialists to evaluate key assumptions/judgments relating to the discount rate considered by the Company.</p> <p>e) For sample selected using statistical sampling, we verified that the amounts considered for calculations of ROU assets and lease liabilities are in accordance with the terms of the contract.</p> <p>f) Assessed the adequacy of the disclosures included in the standalone financial statement.</p>
<p><u>Appropriateness of Capitalization of Cost as per Ind AS 16 Property Plant & Equipment</u></p>	
<p><u>Refer to Note 2 To the standalone financial statements</u></p>	
<ul style="list-style-type: none"> During this year, the company has incurred capital expenses aggregating to Rs. 3,06,62,208.54 on PPE (Representing Buildings). Management has identified specific expend including other overheads relating to each of the building and has applied judgement to assessee it's the cost incurred in relation to these assets meet the recognition criteria of PPE in accordance with Ind AS 16. This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs that are eligible for capitalization are not appropriately capitalized in accordance with the recognition criteria provided in Ind AS16. 	<p>We have performed procedure including the following in relation to testing of capitalization of costs related to Buildings.</p> <p>a) Understood, evaluated, and tested the design and operating effectiveness of key controls relating to capitalization of various costs incurred in relation to Buildings.</p> <p>b) Tested the direct and indirect costs capitalized on sample basis with the underlying supporting documents to ascertain nature of costs and basis for allocate, where applicable and evaluated whether they meet the recognition criteria provided in Ind AS 16 PPE.</p> <p>c) Ensured adequacy of disclosure in the standalone financial statement.</p> <p>Our procedures as mentioned above, did not identify any costs that has been inappropriately capitalized</p>

Other Information – Other than the Standalone Financial Statements and Auditors Report Thereon

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

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 information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained in 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 Financial Statements

The Company's Board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- a) 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 Companies Act, 2013, 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.
- b) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- c) 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 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 reports. However future events or conditions may cause the Company to cease to continue as a going concern.
- d) Evaluate the overall presentation, structure, and content of the financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- e) 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.
- f) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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.
- g) Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- h) 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.

- i) 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.
- j) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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 reasonable be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by The Companies (Auditors Report) order 2020, the order issued by Central government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure-A", a statement the matters specified in paragraph 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The company does not have any branch which has not been audited by us.
 - d. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. In our opinion, there is no financial transaction, which would have adverse effect on the financing of the company.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the Section 197(16) of the Act, as amended:

In our opinion and according to the information & explanation given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- h. On the basis of written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in '**Annexure-B**' to this report; and,
- j. With respect to the other matters included in the Auditor's Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:

1. The Company has pending litigation with Income Tax Authorities and the possible impact of which has been disclosed in financial statements.
2. The company does not have any long-term contracts including derivative contracts which require provision under any law or accounting Standard for material foreseeable losses.
3. There was no amount which was required to be transferred to the Investor Education and Protection Fund.
4.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.
5. The company has not proposed or declared or paid any dividend during the year.

FOR M/s GARG ARUN AND ASSOCIATES

Chartered Accountants

FRN: 08180N

Sd/-

RAMAN KUMAR GARG

(PARTNER)

M.NO. 090564

PLACE: DELHI

DATED: 27th May 2022

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Annexure-A

To the Independent Auditor's Report of Even Date on the Financial Statements of RACE ECO CHAIN LIMITED

A statement as required on the matter specified in the paragraph 3 & 4 of The Companies (Auditors Report) Order 2020, the order issued by Central government of India in terms of sub section (11) of section 143 of the Act,

- 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 maintained proper records showing full particulars of intangible assets.
 - b. All the assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company & the nature of its assets. According to the information and explanation given to us, no discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, 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) or intangible assets or both during the year.
 - e. No proceedings have been initiated during the year or are pending against the Company as of March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory of the company has been physically verified by the management. No material discrepancies were noticed physical verification.

(b) The company has not been sanctioned working capital limits in excess of Rupees 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investment in, companies, firm, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - a. The company has provided loan during the year but not stood guarantee or provided securities to any other entity, in this regards we report as under:

(A) The Company does not have any subsidiary, Joint venture, or associate, as such reporting under this clause is not applicable.

(B) The Aggregate amount of loan advanced during the year was Rs. 7,47,21,416/- and the balance outstanding at the year-end was Rs. 10,37,56,777/-
 - b. In our option, the investment made and the terms and condition of 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 loans granted are in the nature of demand loan and the repayments of principal amounts and receipts of interest are generally been regular as demanded by the company.
 - 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 overdue of existing loans given to the same parties.
 - f. The Company has granted loan which are repayable on demand or without specifying any terms or period of repayment during the year, the aggregate amount of loan was Rs. 10,37,56,777/, which is the 100% of the total loans granted. But the company has not granted any loan to promoters, Related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- iv. According to the Information & explanation given to us and based on the audit procedure conducted by us, we are of the opinion that company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans.
 - v. The company has not accepted deposits during the year and does not have any unclaimed deposits as of March 31, 2022, and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the company.
 - vi. The Central Government has not prescribed the maintenance of cost records u/s 148 of the Act, in respect of business activities carried out by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
 - vii. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees State Insurance, Income Tax, Sales-Tax, Goods and Service Tax, duty of customs, Duty of Excise, Value Added Tax, Cess & any other statutory dues applicable to it & there are no undisputed dues outstanding as on **31.03.2022** for a period of more than six months from the date they became payable.

(b) According to the information & explanations given to us and based on the audit procedure conducted by us, we are of the opinion that there were no statutory dues referred to in sub clause (a) above which have not been deposited on account of any dispute except of the following.

Nature of Statute	Nature of Dues	Amount (in Rs.)	Periods to which related	Forum where dispute is pending
Income Tax Act,1961	Income Tax	7,03,250/-	AY 2009-10	Assessing Officer
Income Tax Act,1961	Income Tax	49,340/-	AY 2010-11	Assessing Officer
Income Tax Act,1961	Income Tax	2,23,070/-	AY 2018-19	CPC
Income Tax Act,1961	Income Tax	1,17,705/-	AY 2020-21	CPC

- 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 taken loans from its related parties and there is no default in repayment of loan or in the payment of interest thereon.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- 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 does not have any subsidiary, associates, or joint ventures as such the reporting under clause 3 (ix) (e) (f) of the order is not applicable.
- g. 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.
- h. 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.

x.

- 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 up to the date of this report.
- c. In our opinion and as per the information and explanation provided to us, the company has not received any whistle blower complaint during the year.

xi. The company is not a Nidhi Company; hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xii. In our opinion and according to the information & explanation given to us, the company is in compliance with section 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards and section 177 is not applicable to the company.

xiii.

- 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.
- xiv. 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.
- xv.
- 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.
- xvi. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xvii. There has been no resignation of the statutory auditors of the Company during the year.
- xviii. On the basis of the financial ratios, ageing 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.
- xix. In our opinion the provision of section 135 of the Companies Act, 2013 relating to corporate social responsibility are not applicable as such the reporting under clause 3 (xx) of the order is not applicable.

FOR M/s GARG ARUN AND ASSOCIATES
Chartered Accountants
FRN: 08180N

PLACE: DELHI
DATED: 27th May 2022

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564

Annexure-B

To the Independent Auditor's Report of Even Date on the Financial Statements of

RACE ECO CHAIN LIMITED

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")

To The Members of
RACE ECO CHAIN LIMITED

We have audited the internal financial controls over financial reporting of **RACE ECO CHAIN LIMITED** as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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 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 over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR M/s GARG ARUN AND ASSOCIATES

Chartered Accountants

FRN: 08180N

Sd/-

RAMAN KUMAR GARG

(PARTNER)

M.NO. 090564

PLACE: DELHI

DATED: 27th May 2022

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Balance Sheet as at 31st March, 2022

UNIT NO.203, PLAZA- P 3, CENTRAL SQUARE BARA HINDU RAO, DELHI -110006

CIN NO. L37100DL1999PLC102506

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
A	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	2(a)	257.07	103.34
	(b) Capital work-in-progress		-	9.94
	(c) Investment Properties		-	-
	(d) Goodwill		-	-
	(e) Other intangible assets	2(b)	6.95	3.30
	(f) Intangible assets under development		-	-
	(g) Biological Assets other than Bearer Plants		-	-
	(h) Financial assets			
	(i) Investments	3(a)	0.10	-
	(ii) Trade Receivables		-	-
	(iii) Loans and Advances		-	-
	(iv) Other financial assets	4(a)	61.74	0.53
	(i) Deferred tax assets (net)	5	19.78	12.54
	(j) Other non-current assets	6 (a)	1.43	1.43
	Sub-total - Non-Current Assets		347.06	131.07
	Current assets			
	(a) Inventories	7	29.37	443.69
	(b) Financial assets			
	(i) Investments	3(b)		-
	(ii) Trade receivables	8	1,721.36	1,457.04
	(iii) Cash and cash equivalents	9	109.62	412.99
	(iv) Bank Balance Other than Cash and cash equivalents		-	-
	(v) Loans and Advances		-	-
	(vi) Other financial assets	4(b)	1,043.99	591.79
	(c) Current Tax assets (net)	10	30.61	31.29
	(d) Other current assets	6(b)	84.45	150.10
	Sub-total - Current Assets		3,019.40	3,086.90
	TOTAL - ASSETS		3,366.46	3,217.97
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	11	1,643.22	1,643.22
	(b) Other equity	12	283.44	168.27
	Sub-total - Shareholders' funds		1,926.66	1,811.49

LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(a)	364.09	4.78
(ii) Lease Liabilities	14(a)	18.86	-
(iii) Trade Payables: -		-	-
(A) Total Outstanding dues of Micro and Small Enterprises; and	16(a)	-	-
(B) Total Outstanding dues other than Micro and Small Enterprises		-	-
(iv) Other financial liabilities other than (i) and (ii) above		-	-
(b) Provisions	15(a)	10.00	28.22
(c) Deferred tax liabilities (net)		-	-
(d) Other non-current liabilities		-	-
Sub-total - Non-current liabilities		392.95	33.00
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(b)	122.47	661.83
(ii) Lease Liabilities	14(b)	3.77	-
(iii) Trade Payables: -		-	-
(A) Total Outstanding dues of Micro and Small Enterprises; and	16(b)	105.69	0.28
(B) Total Outstanding dues other than Micro and Small Enterprises	16(b)	645.12	526.73
(iii) Other financial liabilities other than (i) and (ii) above		-	-
(b) Other current liabilities	17	150.67	123.26
(c) Provisions	15(b)	19.12	61.37
(d) Other tax liabilities (net)		-	-
Sub-total - Current liabilities		1,046.85	1,373.48
TOTAL - EQUITY AND LIABILITIES		3,366.46	3,217.97
Significant Accounting Policies	1		
Notes to accounts forming Part of Financial Statements	24-53		

**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES**

CHARTERED ACCOUNTANTS
FRN: 08180N

**Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564**

PLACE: DELHI
DATED: 27th May 2022
UDIN: 22090564AJTLHM5199

**Sd/-
PRANAV VASAN
DIRECTOR
DIN 07631095**

**Sd/-
ANSHU AGARWAL
WTD & CFO**

FOR RACE ECO CHAIN LIMITED

**Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453**

**Sd/-
SHIWATI GANDHI
COMPANY SECRETARY**

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

UNIT NO. 203, PLAZA-P-3, CENTRAL SQUARE BARA HINDU RAO, DELHI-110006
CIN NO. L37100DL1999PLC102506

(Rs. In Lacs, except EPS)			
Particulars	Note No.	April 2021 - March 2022	April 2020 - March 2021
1. Total Income [sum of (a) to (b)]		15,883.69	6,121.76
(a) Revenue from Operations	18	15,721.26	5,871.63
(b) Other Income	19	162.43	250.13
2. Total Expenses [sum of (a) to (f)]		15,777.59	5,974.43
a) Cost of Goods Traded	20	15,247.46	5,546.69
b) Changes In Inventories of Finished Goods, Stock in Trade and Work-in-progress	21	-	-
c) Employee benefits expense	22	168.43	118.13
d) Depreciation and amortisation expense	2	32.98	23.32
e) Finance Costs	23	41.66	63.44
f) Other expenses	24	287.06	222.86
3. Profit from ordinary activities before exceptional items (1-2)		106.10	147.34
4. Exceptional Items - net credit / (charge)		-	-
5. Profit from Ordinary Activities Before Tax (3-4)		106.10	147.34
6. Tax expense			
a. Current Tax	41(a)	18.57	49.12
b. (Excess)/provision for tax related to earlier years		-	-
c. Deferred Tax	41(d)	- 4.20	- 1.44
7. Net Profit from Continuing Operations [5-(6a.+6b.+6c.)]		91.72	99.65
8. Profit / (Loss) from Discontinued Operations (after tax)		-	-
9. Net Profit for the period (7+8)		91.72	99.65
10. Other Comprehensive Income			
(a) (i) Items that will not be re-classified to Profit or Loss			
- Components of defined benefit costs	41(b)	20.39	-
(ii) Income Tax relating to those items	41(d)	- 3.05	-
(b) (i) Items that will be re-classified to Profit or Loss			
- Net Gain on Fair Value of Current Investments			
(ii) Income Tax relating to those items			
Total Other Comprehensive Income (a+b)		23.44	-

11. Total Comprehensive Income/Loss for the period (net of tax) (9+10)		115.16	99.65
12. Paid up Equity Share Capital (face value Re. 10 per share)		1,643.22	1,643.22
13. Earnings Per Share (EPS) (of Re. 10/- each) (not annualised):			
(a) Basic EPS - Rs.		0.56	0.61
(b) Diluted EPS - Rs.		0.56	0.61
See accompanying notes to financial statements			

**AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES**

CHARTERED ACCOUNTANTS
FRN: 08180N

FOR RACE ECO CHAIN LIMITED

Sd/-
ANSHU AGARWAL
WTD & CFO

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO. 090564

PLACE: DELHI
DATED: 27th May 2022
UDIN: 22090564AJTLHM5199

Sd/-
SHIWATI GANDHI
COMPANY SECRETARY

Sd/-
PRANAV VASAN
DIRECTOR
DIN 07631095

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CASH FLOW STATEMENT AS ON 31/03/2022

UNIT NO.203, PLAZA- P 3, CENTRAL SQUARE BARA HINDU RAO, DELHI -110006

CIN NO. L37100DL1999PLC102506

(Rs. In Lacs)				
Particulars	Figures as at end of the current reporting period 2022		Figures as at end of the current reporting period 2021	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		106.10		147.34
<u>Adjustments for:</u>		- 41.78		- 36.77
Depreciation and amortisation	32.98		23.32	
(Profit) / loss on sale / write off of assets	- 48.62		25.15	
Finance costs	41.66		63.44	
Interest income	- 62.30		- 67.29	
Profit on Investment	- 2.42		- 2.36	
Net (gain) / loss on sale of investments			- 73.71	
Rental Income	- 3.90		- 7.80	
Provision For Gratuity	0.83		2.48	
Operating profit / (loss) before working capital changes		64.32		110.57
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Trade receivables	- 264.32	215.65	- 825.73	1,006.14
Other current assets	65.65		- 115.59	
Inventories	414.32		- 64.82	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	223.80	251.21	421.41	385.71
Other current liabilities	27.41		- 35.70	
		531.18		- 509.86
Cash flow from extraordinary items				
Cash generated from operations		531.18		- 509.86
Net income tax (paid) / refunds		58.80		
Net cash flow from / (used in) operating activities (A)		472.38		- 509.86

B. Cash flow from investing activities				
Capital expenditure on property, plant & equipments, including capital advances	-	- 575.69	-	975.80
Proceeds from sale of property, plant & equipments	250.00		19.25	
Purchase of Property, Plant & Equipment	- 375.00		- 23.09	
Addition in Intangible Assets	- 5.81			
Purchase of other investments	- 203.88		629.56	
Sale of Investments	206.21		-	
Other financial assets	194.36		270.34	
Other non-current assets	-		2.30	
Rental Income	3.90		7.80	
Interest received	62.30		67.29	
Other Financial Assets	- 707.78		2.36	
Cash flow from extraordinary items				
Net cash flow from / (used in) investing activities (B)		- 575.69		975.80
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-	- 199.06		- 70.66
Proceeds from long-term borrowings	- 4.78		0.01	
Repayment of other short-term borrowings	- 175.26		- 7.23	
Lease Liabilities assumed	22.64		-	
Finance cost	- 41.66		- 63.44	
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		- 199.06		- 70.66
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		- 302.37		395.28
Cash and cash equivalents at the beginning of the year		413.52		18.24
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		109.62		413.52

Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Opening Cash and cash equivalents as per Balance Sheet				
(a) Cash on hand		17.24		38.05
(b) Balances with banks				
(i) In current accounts		20.42		374.94
(ii) In EEFC accounts		-		-
(iii) In Fixed deposit accounts		71.96		-
(c) Interest accrued on deposits		-		-
(d) Current investments considered as part of cash & cash equivalents		-		0.53
		109.62		413.52

See accompanying notes forming part of the financial statements

Sd/-
SHIWATI GANDHI
COMPANY SECRETARY

Sd/-
ANSHU AGARWAL
WTD & CFO

Sd/-
PRANAV VASAN
DIRECTOR
DIN: - 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

AUDITOR'S REPORT

AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N

CA. RAMAN KUMAR GARG (PARTNER)
M.NO. 090564

PLACE: NEW DELHI
DATED: 27th May 2022
UDIN: 22090564AJTLHM5199

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Depreciation Chart

AS PER COMPANIES ACT, 2013
NOTE-02 (a) PROPERTY, PLANT & EQUIPMENT

Particulars	Rate	Gross Block				Accumulated Depreciation				Net Block	
		Balance as on 01/04/2021	Additions	Deductions / Adjustments	Balance as at 31/03/2022	Up to 31/03/2021	Additions	Deductions / Adjustments	Balance as at 31/03/2022	W.D.V. as on 31.03.2022	W.D.V. as on 31.03.2021
<u>PLANT & MACHINERY</u>											
PLANT & MACHINERY	14.88%	26.68	12.38	-	39.05	19.98	1.85	-	21.83	17.22	6.70
<u>VEHICLES</u>											
Car Fortuner	31.23%	32.26	-	5.17	27.09	25.27	1.82	-	27.09	(0.00)	6.99
Activa Scooter	25.89%	0.88	-	-	0.88	0.15	0.19	-	0.34	0.55	0.74
<u>FACTORY LAND & BUILDING</u>											
FACTORY LAND-56/33		4.57	-	-	4.57	-	-	-	-	4.57	4.57
FACTORY LAND- A16/2		20.31	-	20.31	-	-	-	-	-	-	20.31
FACTORY BUILDING-56/33	9.50%	30.62	161.81	-	192.43	11.55	10.61	-	22.15	170.28	19.08
FACTORY BUILDING- A-16/2	9.50%	69.94	144.81	175.48	39.28	35.39	3.89	-	39.28	0.00	34.55
Elevator	45.07%	11.15	-	-	11.15	10.23	0.41	-	10.64	0.50	0.91
Electricity Service Line	9.50%	-	2.66	-	2.66	-	0.04	-	0.04	2.62	-
GENERATOR	45.07%	14.58	5.06	-	19.64	13.65	0.55	-	14.20	5.44	0.93
COMPUTER	63.16%	16.54	4.55	-	21.09	12.50	3.77	-	16.27	4.82	4.04
FURNITURE & FIXTURES	76.83%	13.56	10.59	-	24.15	13.39	1.63	-	15.02	9.13	0.17
Office Equipments	45.07%	14.40	14.14	-	28.54	10.05	4.86	-	14.91	13.63	4.35

Right to Use		-	29.94	-	29.94	-	1.63	-	1.63	28.31	-
TOTAL		255.50	385.94	200.96	440.48	152.16	31.24	-	183.40	257.07	103.33
Capital Work In Progress		9.94	-	9.94	-	-	-	-	-	-	9.94
NOTE-02 (b) OTHER INTANGIBLE ASSETS											
INTANGIBLE ASSETS											
SOFTWARE AND MOBILE APPLICATIONS		4.13	5.81	0.43	9.51	0.83	1.74	-	2.56	6.95	3.30
						Net Block				264.02	116.57
						Depreciation for year				32.98	-

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2022

Note 3 - (a) Non- Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2022	31-03-2021		31-03-2022	31-03-2021
		Number	Number		in Lacs	in Lacs
(I) Investment at Amortised cost						
Enviro Ecoplast Private Limited	Others	1,000	-	Unquoted	0.10	-
Total		1,000	-		0.10	-
Location wise breakup of Investments						
Investment in India		1,000	-		0.10	-
Investment Outside India		-	-		-	-
Total		1,000	-		0.10	-
Less: Allowance for impairment loss		-	-		-	-
Total (net)		1,000	-		0.10	-

Note 3 - '(b) Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2022	31-03-2021		31-03-2022	31-03-2021
		Number	Number		in Lacs	in Lacs
NIL						

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Note 4 - Other Financial Assets

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Non-Current		
At Amortised Cost		
Unsecured, Considered Good		
Loans & Advances		
Inter Corporate Loan		
Deposits		
FDR pledged with Bank as margin for Bank Guarantee/OD*	61.74	0.53
Total (A)	61.74	0.53
(b) Current		
At Fair Valuation through Profit & Loss		
Unsecured, Considered Good		
Others		
Accrued Interest on FDR	2.70	-
	-	-
At Amortised Cost	-	-
Unsecured, Considered Good	-	-
	-	-
Loans & Advances	-	-
Inter Corporate Loan	1,037.57	589.08
Advance to employees	1.66	2.71
Deposits	-	-
Security Deposit for Rent **	2.07	-
	-	-
Total (B)	1,043.99	591.79
Total (A+B)	1,105.73	592.31
* The Fixed deposit as other non-current financial assets includes deposit with remaining maturity above 12 months.		
** Security Deposits for Rent given are measured at Amortised cost		

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Note 5 - Deferred Tax Assets (Net)

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	12.54	11.10
Add: Current Year Deferred Tax Asset / (Liability) [Refer Note 4]	7.24	1.44
Net Deferred Tax Assets / (Liabilities)	19.78	12.54

Note 6 - 'Other Non-Financial Assets

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Non-Current		
Advance against Security	1.43	1.43
	-	-
Total (a)	1.43	1.43
(b) Current		
Unsecured, Considered Good		
Advance		
Advance against Security	2.56	-
Prepaid Expenses	0.04	-
GST Input	25.11	21.12
Advance to Suppliers	27.95	34.63
RCM Receivable	7.22	4.37
Other Current Assets	11.05	7.34
Claim Recoverable	10.52	82.65
Total (b)	84.45	150.10
TOTAL [(a)+(b)]	85.87	151.52

Note 7 - Inventories

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(Cost or NRV whichever is Lower)		
TRADED GOODS: Fabric & Waste cloth	14.86	443.69
Puma Products	14.51	-
TOTAL	29.37	443.69

Note 8 - Trade Receivables

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables- From Related Parties	70.88	-
Trade Receivables-From Others	1,650.48	1,457.04
TOTAL	1,721.36	1,457.04
Less: Impairment allowance		
Total Trade Receivables (net of Impairment)	1,721.36	1,457.04
a.) Ageing Schedule - Trade receivable		
-		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Undisputed - Considered Good		
- Less than 6 Months	1,390.59	1,269.98
- 6 Months- 1 year	247.39	186.75
- 1-2 years	79.81	0.26
- 2-3 Years	3.58	0.04
- More than 3 Years	-	-
Undisputed Trade Receivables-which have significant increase in credit risk	-	-
Undisputed Trade Receivables - Credit impaired	-	-
Disputed - Considered good	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-
Disputed Trade Receivables - Credit impaired	-	-
Total	1,721.36	1,457.04

Note 9 - Cash & Cash Equivalents

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Cash in Hand	17.24	38.05
Balance with Banks in Current Accounts ^	20.42	374.94
Balance with Banks in fixed deposits	71.96	-
	109.62	412.99

The Fixed deposit with Banks as cash & cash equivalent are the deposit with original maturity up to 3 months.

Note 10 - Current Tax Assets (net)

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax/TDS/TCS (net of provision)		
TDS Receivables	30.61	31.29
TOTAL	30.61	31.29

Note 11 - Equity Share Capital

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Authorised Share Capital		
2,50,00,000 Shares (Previous year 2,50,00,000) of Rs. 10 each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued, Subscribed & Paid-up Share Capital		
1,64,32,200 Shares (Previous year 16432200.) of Rs. 10 each	1,643.22	1,643.22
TOTAL	1,643.22	1,643.22
Terms/Rights attached to Equity Shares		

The Company has only one class of equity shares each having a par value of Rs. 10 per share. All these shares have same rights & preferences with respect to payment of dividend, repayment of capital and voting.

Reconciliation of number of equity share outstanding at the beginning and at the end of the period

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Number of shares outstanding as at the beginning of the period	164.32	164.32
Add: Shares allotted	-	-
Number of shares outstanding as at the end of the period	164.32	164.32

Details of Shareholders holding more than 5% shares in the Company (In Lacs)

Name of Shareholders	As at 31st March, 2022	As at 31st March, 2021
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.50
C) Puja Malik	9.85	9.85

Details of Promoters holding

Name of Shareholders	As at 31st March, 2022	As at 31st March, 2021
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.50
C) Dinesh Pareekh	7.00	7.00

Note 12 - Other Equity

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
I) Reserves & Surplus		
a. Retained Earnings		
Balance at the beginning of the period	168.27	68.63
Add: Profit/Loss for the period	91.72	99.65
Less: Bonus Share Issue		
Less: Appropriations		
MAT Credit		
Dividend Paid		
Adjustment for Dividend Paid in previous year		
Balance at the end of the period	259.99	168.27
TOTAL (I)	259.99	168.27
II) Other Comprehensive Income		
Balance at the beginning of the period	-	-
Add: Transfer during the year	23.44	-
Balance at the end of the period	23.44	-
TOTAL (II)	23.44	-
TOTAL OTHER EQUITY (I+II+III)	283.44	168.27
Nature & Purpose of Reserves:		
<p>Retained Earnings: Retained earnings represents surplus / accumulated earning of the company and are available for distribution to shareholders</p>		
<p>Other Comprehensive Income: This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. and present value of Defined benefit obligation.</p>		

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Note 13 - Borrowings

		(Rs. in Lacs)
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Non-Current		
<u>Carried at Amortized Cost</u>		
Secured Loans		
Term Loans from Banks/Financial Institution		
ICICI Bank Ltd		
(Secured Against Hypothecation of Car)	-	4.78
Unsecured Loans		
Related Parties		
Securocrop Securities India Private Limited	364.09	-
Total (I)	364.09	4.78
(b) Current		
<u>Carried at Amortized Cost</u>		
Secured Loans		
(A) City Union Bank CC		
(Secured by hypothecation of Stock & debtor & collateral security against A-16/2, Site-4, Industrial Area, Sahibabad, Ghaziabad & 56/33, Site-IV, Industrial Area Ghaziabad and there is no default over in city union bank ltd as on balance sheet date of Rs. 66623396 and there is not default in any other loan	-	237.19
(B) City Union Bank ECLS Loan	-	-
(Secured by hypothecation of Stock & debtor & collateral security against A-16/2, Site-4, Industrial Area, Sahibabad, Ghaziabad & 56/33, Site-IV, Industrial Area Ghaziabad and there is no default over in city union bank ltd as on balance sheet date of Rs. 14100000 and there is not default in any other loan	-	141.00
(C) ICICI Bank - OD against FD	-	-
(Secured by Fixed Deposit)	54.05	-
	-	-
Unsecured Loans	-	-
Related Parties	-	-
Loan From Director	2.11	216.35
Intercompany Loan	-	-
Swagatam Trading and Services Limited	66.32	65.40
Mansingh Hotels & Resorts Limited	-	1.88
Total (II)	122.47	661.83
Total (I+II)	122.47	661.83
The company has not defaulted in the repayment of Borrowings and interest thereon for the year ended March 31, 2022 and March 31, 2021		

Note 14 - Lease Liabilities

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Carried at Amortized Cost		
(a) Non-Current		
-		
Lease Obligation	18.86	-
TOTAL (a)	18.86	-
Carried at Amortized Cost		
(a) Current		
-		
Lease Obligation	3.77	-
TOTAL (b)	3.77	-
TOTAL [(a)+(b)]	22.64	-

Note 15 - Provisions

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Non-current Liabilities		
Provision for Employee Benefits		
Gratuity	10.00	28.22
TOTAL	10.00	28.22
(b) Current Liabilities		
Provision for Employee Benefits		
Gratuity	0.55	1.89
Other Provisions		
Provision for Current Tax	18.57	59.48
TOTAL	19.12	61.37

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Note 16 - Trade Payables

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
a) Non-Current		
Total outstanding dues of micro, small and medium enterprises (A)		
Total outstanding dues of creditor other than micro, small and medium enterprises (B)		
TOTAL (a)	-	-
b) Current		
Total outstanding dues of micro, small and medium enterprises (A)	105.69	0.28
	-	-
Total outstanding dues of creditor other than micro, small and medium enterprises (B)	645.12	526.73
	750.81	527.01
TOTAL [(a)+(b)]	750.81	527.01
Ageing Schedule - Current Trade payable		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
i) MSME		-
Less than 1 year	105.69	0.28
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
ii) Others	-	-
Less than 1 year	591.41	526.73
1-2 years	47.80	-
2-3 years	5.91	-
More than 3 years	-	-
iii) Disputed dues – MSME	-	-
iv) Disputed dues - Others	-	-
Total	750.81	527.01

Note 17 - Other Current Liabilities

(Rs. in Lacs)		
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Expenses Payable	5.61	53.92
Advance Received from Customers	121.94	-
Salary Payable	19.37	55.24
Duties & Taxes Payable	3.75	14.11
TOTAL	150.67	123.26

Note 18 - Revenue from Operations

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Sale of Waste Material	13,304.00	2,334.43
Sale of Misc. Old Economy Products	774.79	1,991.41
Sale of Recycled Products	1,623.97	1,545.78
Other Operating Income - Export Incentive	18.50	-
TOTAL	15,721.26	5,871.63

Note 19 - Other Income

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Rent Receipt	3.90	7.80
Profit on sale of investment being securities chargeable to Securities Transaction Tax (STT)	2.42	3.15
Profit on Trading of Shares (Speculation)	-	0.15
Profit on Trading of Shares (Other than Speculation)	-	70.42
Profit on Sale of Land	49.49	-
Profit on Sale of Building	4.72	-
Dividend on Shares	-	2.36
Interest Income	62.30	67.29
Foreign Exchange Fluctuation	3.94	8.05
Rebate & Discount	4.42	0.55
Creditors Written Off	30.99	90.38
Bad Debt Recovered	0.09	-
Other Income	0.15	-
TOTAL	162.43	250.13

Note 20 - 'Cost of Good Traded

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Opening Stock	443.69	360.63
Add: -	-	-
Purchases of Misc. Old Economy Products	329.70	2,339.40
Purchase of Waste Material	12,959.51	1,824.72
Purchase of Recyclable Products	1,543.94	1,465.64
	15,276.84	5,990.38
Less: -	-	-
Closing Sock	29.37	443.69
TOTAL	15,247.46	5,546.69

Note 21 - 'Change in Inventory

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Opening Stock	443.69	360.63
Less: Closing Stock	29.37	443.69
TOTAL	414.32	83.06

Note 22 - Employee Benefits Expense

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Directors Remuneration	9.00	18.00
Salaries & Wages	147.97	96.89
Gratuity	4.76	2.48
Bonus	4.22	0.44
Contribution to Provident Fund	1.32	0.16
Contribution Towards ESI	1.10	0.12
Administration Expenses on PF & ESI	0.06	0.04
TOTAL	168.43	118.13

Note 23 - Finance Cost

(Rs. in Lacs)		
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
Bank Charges	2.41	2.21
Bank Interest	17.50	57.34
Car Loan Interest	0.25	0.63
Other Interest	21.51	3.26
TOTAL	41.66	63.44

Note 24 - Other Expenses

		(Rs. in Lacs)
PARTICULARS	Apr - Mar 2022	Apr - Mar 2021
(B) ADMINISTRATIVE EXPENSES		
Annual Listing Fees	4.30	0.76
Bad Debt	27.33	50.64
BSE Processing Fees	16.64	0.50
Business Promotion Expenses	3.53	3.22
CDSL Charges	0.45	0.45
Certification Charges	0.20	-
Clearing & Forwarding Charges	1.27	-
Commission	23.39	54.51
Consultancy Charges	0.06	-
Construction Expenses	-	1.46
Conveyance Expenses	4.92	1.28
Demat/Depository Charges	0.00	0.01
Design Charges	-	0.35
Electricity & Generator Charges	11.20	9.07
Exhibition Expenses	-	0.24
Festival Expenses	2.81	-
Filing Fees	-	0.40
Freight & Cartage	92.41	31.13
Fuel Expenses	0.21	0.01
GST on Shares	-	0.33
Hotel Expenses	0.98	-
Housekeeping Expenses	0.16	0.08
Insurance Exp.	2.20	3.97
Internet Expense	0.46	-
Job Work Charges	14.79	-
Legal & Professional Charges	5.54	13.50
Licence Fee	0.16	-
Loading & Unloading Charges	0.03	-
Loss on Sale of Assets	-	25.15
Membership Fees	0.11	-
Miscellaneous Exp	0.08	0.01
Municipal Taxes	0.32	1.00
NSDL Charges	0.71	0.53
Online Expenses	-	4.77
Office Expenses	1.51	-
Other Expenses	0.69	1.00
Out of Pocket Expenses	-	0.22
Packing Material	2.70	-

Penalties & Interest	0.60	0.22
Pollution Control Expense	0.15	-
Postage & Courier exp	0.80	0.23
Printing & Stationery	1.84	0.90
Production Expenses	1.18	-
Professional Charges	36.70	7.24
Rates and Taxes	0.05	0.15
Rebate & Discount	4.26	0.25
Repair and Maintenance	1.81	1.97
Retainership Charges	0.60	-
ROC Fees	0.08	0.03
Round off	-	- 0.00
RTA Charges	0.67	0.68
Sampling Expenses	3.69	-
SEBI Charges on Shares	0.00	0.00
Server Rent	1.04	-
Showroom Expenses	0.53	-
Software Exp.	2.14	0.44
Staff Welfare Expense	3.81	0.04
Stamp Duty on Shares	0.01	0.01
Statutory Audit	2.50	1.00
STT Expense	0.05	0.81
Telephone Expenses	0.98	0.84
Testing Expenses	0.18	0.06
Tour & Travelling Expenses	2.67	2.59
Trademark Expenses	0.03	0.22
Transaction Charges on Shares	0.50	0.19
Website Maintenance Charges	1.05	0.40
Total (B)	287.06	222.86

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RACE ECO CHAIN LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 25 - Contingent liability

(Rs. in Lacs)		
	As at 31st March 2022	As at 31st March 2021
Contingent liabilities:		
(i) Guarantees given	-	0.50

Note 26 - 'Remuneration to auditors (exclusive of taxes)

(Rs. in Lacs)		
Particulars	2021-2022	2020-2021
Payment To Auditors:		
Statutory Auditor:		
Statutory Audit & Limited Reviews	2.50	1.00
Total	2.50	1.00

Note 27 - First time Adoption of Ind AS

These financial statements, for the year ended 31st March 2022, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Previous GAAP)

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2022, together with the comparative period data as at and for the year ended 31st March, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1st April, 2020 and the financial statements as at and the year ended 31st March 2021.

Exemption applied

Ind AS 101 allows, first time adopters, certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The company has elected to apply previous GAAP carrying amount of its equipment as deemed cost as on the date of transition to Ind AS, after making necessary adjustment, i.e., capitalisation of equipment in accordance with Ind AS.

Appendix C to Ind AS requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has done the assessment of lease in contracts based on conditions in prevailing as at the transition.

Exceptions:

The following mandatory exceptions has been applied in accordance with Ind AS 101 in preparing the financial Statements.

The estimate at 1st April, 2020 and at 31st March 2021 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences if any, in accounting policies) apart from the following items where application of Previous GAAP did not require estimation:

'- Impairment of financial assets based on expected credit loss model.

The estimates used by the company to present these amounts in accordance with the Ind AS reflect conditions as at the transition date and as at 1st April, 2021, the date of transition to Ind AS and as on 31st March 2022.

De- recognition of financial assets and financial liabilities

The Company has elected to apply the de-recognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as previously reported under previous GAAP and that computed under Ind As:

There were no material differences between statement of equity presented under Inds As and Previous GAAP.

Reconciliation of net profit under Ind AS and Previous GAAP

There were no material differences between statement of net profit presented under Inds As and Previous GAAP.

Reconciliation of Statement of Cash Flows under Ind AS and Previous GAAP

There were no material differences between statement of cash flows presented under Inds As and Previous GAAP.

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Note 28 - 'Earnings per equity share

(Rs. in Lacs)		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Net profit attributable to equity shareholders [A]	91.72	99.65
Weighted average number of equity shares issued (face value of Rs. 10 each) (Numbers in Lacs)	164.32	164.32
Total Weighted average number of equity shares [B] (face value of Rs. 10 each) (Numbers in Lacs)	164.32	164.32
Basic earnings per share [A/B] (in Rs.)	0.56	0.61
Net Profit attributable to equity shareholders [C]	91.72	99.65
Less: Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
Net profit attributable to equity shareholders for calculation of diluted EPS [C-D]	91.72	99.65
Weighted average of equity shares issued (face value of Rs 10 each) (Numbers in Lacs) [E]	164.32	164.32
Weighted number of additional equity shares outstanding for diluted EPS (Numbers in Lacs) [F]	-	-
Weighted number of equity shares outstanding for diluted EPS (Numbers in Lacs) [E+F]	164.32	164.32
Diluted earnings per share [C-D/E+F] (in Rs.)	0.56	0.61

Note 29 - 'Foreign currency transactions

(i) Expenditure in foreign currency (On accrual basis)		
(Rs. in Lacs)		
Particulars	2021-22	2020-21
Imports of Goods	0.29	-
Total	0.29	-
(ii) Income in foreign currency (On accrual basis)		
(Rs. in Lacs)		
Particulars	2021-22	2020-21
Export of Goods	384.49	346.26
Total	384.49	346.26

Note 30 - 'Unhedged foreign currency exposure

(a) Payables- Nil			
(b) Receivables			
Particulars	Currency	As at 31st March 2022	As at 31st March 2021
		(Rs. in Lacs)	(Rs. in Lacs)
Good Earth Innovations Textile Trading LLC	USD	0.33	-
PEP a Division of Pepkor Trading Pty Ltd	USD	2.55	-
Richmond Interiors	USD	0.26	-

Note 31 - 'Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

Defined Benefit Plan - Gratuity

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Company to actuarial risks such as: Interest rate risk, Liquidity Risk, Salary Escalation Risk, demographic risk and Regulatory Risk.

Interest Rate Risk

"The plan exposes the Company to the risk of falling interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability."

Liquidity Risk

This is the risk that the Company may not be able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Demographic Risk

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.

Regulatory Risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g., Increase in the maximum limit on gratuity of Rs. 20,00,000 etc.).

(i) The following tables set out the funded status of the gratuity benefit Scheme and the amounts recognized in the Company's financial statements:

(Rs. in Lacs)		
Particulars	For the period ending	
	March 31, 2022	March 31, 2021
Change in benefit obligations		
Benefit obligations at the beginning	30.11	27.63
Current Service Cost	2.73	2.33
Past Service Cost	-	-
Interest on defined benefit obligation	2.03	1.86
Actuarial loss / (gain)	- 20.39	- 1.71
Benefit Paid	- 3.93	-
Closing Defined Benefit Obligation (A)	10.55	30.11
Translation/ Forex impact (B)	-	
Payable gratuity benefit (A-B)	10.55	30.11
Current Provision (Refer note 17)	0.55	1.89
Non-Current Provision (Refer note 17)	10.00	28.22

(ii) Amount recognised in the Statement of Profit and Loss

(Rs. in Lacs)		
Particulars	For the period ending	
	March 31, 2022	March 31, 2021
Current Service Cost	2.73	2.33
Past Service Cost	-	-
Interest on net defined benefit obligations	2.03	1.86
Net Actuarial (Gain) / Loss recognised in the period	-	- 1.71
Total Included in "Employee Benefit Expense"	4.76	2.48

(iii) 'Amount recognised in the Other Comprehensive Income

(Rs. in Lacs)		
Particulars	For the period ending	
	March 31, 2022	March 31, 2021
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	- 0.50	-
- experience variance (i.e., Actual experience vs assumptions)	- 19.89	- 1.71
Components of defined benefit costs recognised in other comprehensive income	- 20.39	- 1.71

(iv) 'Principle actuarial assumption

Assumptions	March 31, 2022	March 31, 2021
Discount Rate (per annum)	7.20%	6.75%
Salary escalation (per annum)	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(v) 'Sensitivity Analysis

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

(Rs. in Lacs)		
Particulars	March 31st 2022	March 31st 2021
Defined Benefit Obligation (Base)	10.55	30.11

(Rs. in Lacs)				
Particulars	As at March 31, 2022		As at March 31, 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11.72	9.53	32.88	27.65
(% change compared to base due to sensitivity)	11.10%	- 9.60%	9.20%	- 8.20%
Salary Growth Rate (- / + 1%)	9.51	11.73	27.59	32.90
(% change compared to base due to sensitivity)	- 9.90%	11.20%	- 8.40%	9.30%
Attrition Rate (- / + 50% of attrition rates)	10.29	10.69	29.52	30.58
(% change compared to base due to sensitivity)	-2.40%	1.40%	- 2.00%	1.60%
Mortality Rate (- / + 10% of mortality rates)	10.54	10.55	30.10	30.12
(% change compared to base due to sensitivity)	- 0.10%	0.10%	0.00%	0.00%

(vi) 'Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	11 years
Expected cash flows over the next (valued on undiscounted basis):	Rs. in Lacs
1 year	0.55
2 to 5 Years	2.59
6 to 10 Years	4.46
More than 10 Years	17.76

Note 32 - Related Party Transactions (as per INDAS 24)

"The names of the related parties and nature of the relationship where control exists are disclosed irrespective of whether or not there have been transactions between the related parties during the year. For Others, the names and the nature of relationship is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship."

(i) Names of related parties and nature of relationship

Category of related parties	Name of Related Parties
Associates	
Promoters & Key Management Personnel	Mr. Dinesh Pareekh
	Mrs. Sangeeta Pareekh
	BLP Equity Research Pvt Ltd
	Mr. Sunil Kumar Malik
	Mr. Anshu Agarwal
	Ms. Shiwati Gandhi
	Mr. Pranav Vasan
Relatives of Directors and Key Management Personnel	
Entities in which the Key Management Personnel and their relatives identified above having control/significant influence	1) Vista Furnishing Ltd.
	2) Gin Spin Pvt Ltd
	3) J. S. Finlease Pvt Ltd.
	4) U A Marketing Pvt Ltd
	4) Anisha Fincap Consultants Pvt Ltd
	5) Ever Style Services Pvt Ltd
	6) Anisha Exim Pvt Ltd
	7) Anisha Fincap Consultants LLP
	8) Securocrop Securities India Pvt Ltd
	9) BLP Equity Research Pvt Ltd
	10) Gem Enviro Management Pvt Ltd

(ii) Transactions with Related Parties

The Transactions have been summarized in the below table; and as the company has voluminous transactions during the period, thus, details have been provided in table (iii) for transactions having value more than Rs. 1 Lac only (Material Transactions).

The following transactions were carried out with related parties in the ordinary course of business:

(Rs. in Lacs)		
Nature of Transaction	2021-22	2020-21
<u>Key Management Personnel</u>		
<u>Remuneration & Incentives</u>		
(a) Mr. Sunil Kumar Malik	9.00	18.00
(b) Mr. Anshu Agarwal	9.41	9.36
(c) Ms. Shiwati Gandhi	3.65	-
<u>Loan Taken</u>		
Mr. Sunil Kumar Malik	431.24	579.55
Securocrop Securities India Private Limited	364.09	-
<u>Loan Repaid</u>		
Mr. Sunil Kumar Malik	636.50	374.88
<u>Loan Given</u>		
Vista Furnishing Pvt Ltd	388.61	-
<u>Purchase Made</u>		
Vista Furnishing Pvt Ltd	71.05	-
<u>Sale Made</u>		
Vista Furnishing Pvt Ltd	285.33	-

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Note 33 - 'Income Taxes

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when the tax benefit exceeds the cumulative income statement expense on share plans. The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised when it is considered recoverable and Therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(a) Income Tax Expense recognised in Statement of Profit and loss for the period:

(Rs. in Lacs)		
Particulars	For the period ended	
	31st March, 2022	31st March, 2021
Current Tax:		
- Relating to Current year	18.57	49.12
- Relating to Preceding year	-	-
Deferred Tax:		
- Relating to Current year	- 4.20	- 1.44
- Relating to Preceding year	-	-
Total	14.38	47.69

(b) Income tax expense/(benefit) recognised directly in other comprehensive income for the period:

(Rs. in Lacs)		
Particulars	For the period ended	
	31st March, 2022	31st March, 2021
Income tax expense/(benefit) recognised in other comprehensive income		
- Relating to Tax effect on actuarial (gain)/ loss on defined benefit obligations	- 20.39	-
- Related to Tax effect on net gain/(loss) on fair value of current investment	-	-
Total	- 20.39	-

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate for the period

(Rs. in Lacs)		
Particulars	For the period ended	
	31st March, 2022	31st March, 2021
Accounting Profit/(loss) Before Tax	106.10	147.34
Enacted tax rate	0.29	0.26
Computed tax expense	30.34	37.94
Tax effect of:		
Non-deductible expenses/Allowable income for tax purpose	10.96	6.69
Deductible expenses /Disallowable income for tax purpose	- 8.14	- 4.82
Deductions on income	-	-
Income taxed at lower rate	- 17.32	- 15.12
Income tax/(benefit) relating to previous years	-	-
Deferred tax liability/(asset) charged during the year	-	-
Total Tax expense charged	15.85	24.69
Effective tax rate	14.94%	16.76%

(d) The movement in deferred tax assets/ (liabilities) during the year:

(Rs. in Lacs)			
Deferred tax assets/(liabilities)	in OCI	in Profit & Loss	Total
Balance as at 1st April, 2020	-	11.10	11.10
Expense allowed in the year of payment (Gratuity)	-	0.64	0.64
Difference between book and tax depreciation	-	0.80	0.80
Differences as per ICDS	-	-	-
Other	-	-	-
Balance as at 31st March, 2021	-	12.54	12.54
Expense allowed in the year of payment (Gratuity)	3.05	1.58	4.62
Difference between book and tax depreciation	-	0.34	0.34
Asset on Lease and Lease Liability	-	3.05	3.05
Differences as per ICDS	-	-	-
Other	-	- 0.77	- 0.77
Adjustment due to prior period items	-	-	-
Balance as at 31st March, 2022	3.05	16.73	19.78

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Note 34 - Fair value measurement

Note 28 Fair values

The Management assessed that the cash and cash equivalents and trade receivables approximate their carrying amounts largely due to the short- term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The fair value of the financial assets such as Unquoted Equity investments is taken at cost as unobservable inputs for fair value is unidentifiable in market.

The Significant observable inputs used in the fair value measurement categorised within level 1 of the fair value hierarchy as at 31 March 2022 & 31 March 2021 are as shown below.

Description	Valuation technique	Significant observable inputs	Significant observable inputs
1. FVTOCI assets in Quoted Equity Investments	Market approach techniques	Market prices of issuing company	Market prices of issuing company
2. FVTOCI assets in Unquoted Equity Investments	Market approach techniques	Book Value/Net Asset Value of Issuing co.	Book Value/Net Asset Value of Issuing co.
3. Derivative financial instruments	MTM Approaches	NA	NA

Note 29 Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Company's assets & liabilities.

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Quantitative disclosure of fair values measurement hierarchy for assets as at 31st March 2022:

(Rs. in Lacs)				
Description	Date of Valuation	Fair value measurement using		
		Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured at Fair value through other comprehensive income:				
Investments Equity Shares	31-03-2022	-	-	0.10
Assets Measured at Fair value through Profit & Loss Account:				
		-	-	

Quantitative disclosure of fair values measurement hierarchy for assets as at 31st March 2021:

(Rs. in Lacs)				
Description	Date of Valuation	Fair value measurement using		
		Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured at Fair value through other comprehensive income:				
		-	-	-
Assets Measured at Fair value through Profit & Loss Account:				
		-	-	-

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Note 35 - 'Financial risk management

Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

A. Market Risk

Market risk is the risk that the fair value or future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The company's exposure to foreign currency risk at the end of reporting period is shown in note no 37

(ii) Interest rate risk

The Company is exposed to Interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest-bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and loans given to customers. Such instruments exposes the Company to fair value interest rate risk. Management believe that the interest rate risk attached to this financial assets are not significant due to the nature of this financial assets.

(iii) Market price risks

The Company is exposed to market price risk, which arises from FVTPL and FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

B. Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits and liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short-term obligations associated with its financial liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on the contractual undiscounted payments.

(Rs. in Lacs)				
Particulars	On Demand /less than 3 months	Payable within 3 to 12 months	Payable more than 1 year and less than 5 year	Payable more than 5 year
Year ended 31st March 2022				
Payables				
(I) Trade payables	750.81	-	-	-
(II) Other payables	150.67	-	-	-
Borrowings (Other than debt securities)	56.16	66.32	364.09	-
Deposits	-	-	-	-
Other financial liabilities		3.77	-	18.86
Year ended 31st March 2021				
Payables				
(I) Trade payables	527.01			-
(II) Other payables	123.26			-
Borrowings (Other than debt securities)	594.54	1.88	65.40	-
Deposits				-
Other financial liabilities				-

C. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investment in mutual fund units, term deposits, trade receivables and security deposits.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

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Note 36 - Contingent liabilities not Provided for

(Rs. in Lacs)		
	As at 31st March, 2022	As at 31st March, 2021
Claims against the company pending appellate / judicial decisions not acknowledged as debts in respect of Income Tax	Nil	Nil

Note 37 - Commitments

(Rs. in Lacs)		
	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of contracts remaining to be executed on capital account.	Nil	Nil

Note 38 - Title deeds of immovable property not held in the name of the company.

The Company holds title deeds of all the immovable property (Other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) in the name of the company.

Note 39 - Details of Loan & Advances in the nature of loan granted to Promoters, Directors, Key Management Personnel & the related parties (as defined under Company Act 2013)

- (a) Repayable on demand or
(b) Without specifying any term or period of repayment

Type of Borrowed	Current Period		Previous Period	
	Amount of O/s	% of Total	Amount of O/s	% of Total
Promoters	-		-	
Directors	-		-	
Key Management Persons	-		-	
Relative Parties	-		-	

Note 40 - Capital work in progress ageing & overdue or has exceeded to its original plan**Note 41 - Intangible assets under development****Note 42 - Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the benami transactions (Prohibition) Act, 1988 and the rules made thereunder.

Note 43 - Wilful defaulter

The company has not made any default in the repayment of any borrowing, as such the declaration as wilful defaulter is not applicable.

Note 44 - Relationship with stuck of the company

The company did not have any transaction with companies struck off under section 248 of the companies act 2013 or section 560 of the companies act, 1956 as such no declaration is required to be furnished.

Note 45 - Registration of Charge/Satisfaction

There is no charge or satisfaction of charges which is pending for registration beyond the statutory period.

Note 46 - Compliance with number of layer of completion

The company does not have any subsidiary company as such there is no non-compliance with the number of layers prescribed under clause (87) section 2 of the Act read with companies (Restriction on number of layers) Rules, 2017.

Note 47 - Ratio analysis

S. No.	Ratio	Numerator	Denominator	Current Period	Previous Period
1	Current Ratio	Current Assets	Current Liabilities	2.88	2.25
2	Debt Equity ratio	Total Debt	Shareholders' Equity	0.07	0.40
3	Debt Service Coverage ratio	Earnings Available for Debt Service (Net profit before Taxes + Non-Cash operating Expenses Depreciation and Auxiliary+ Interest+ other Adjustments like loss on sale of Fixed Assets etc)	Debt Service (Interest + Lease Payments + Principal Repayments)	0.93	3.45
4	Return on Equity	Net Profit after tax- Preferred Dividend (If Any)	Equity	6%	6%
5	Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	535.27	13.23
6	Trade Receivable Turnover Ratio	Net Credit Sale	Average Accounts receivable	9.13	4.20
7	Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payable	20.31	10.52
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	7.97	3.43
9	Net Profit ratio	Net Profit	Net Sales	0.01	0.02
10	Return on Capital Employed	Earnings before Interest & Taxes	Capital Employed (Tangible Net Worth + Total Debt + DTL)	0.20	0.27
11	Return on investment	Net Return on Investment	Cost of Investment	0.20	0.27

Note 48 - Compliance with approved scheme (s) of arrangements

No scheme of arrangements was required u/s 230 to 237 of the companies Act, 2013 during the year, as such disclosure is not required.

Note 49 - Utilisation of borrowed fund & Share Premium

A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entities including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The company has not received any fund from any person or entities including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Note 50 - Undisclosed Income

The company has neither surrendered nor disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

Note 51 - Corporate Social Responsibility (CSR)

Not Applicable

Note 52 - Cryptocurrency or Virtual Currency

The company has neither traded nor invested in cryptocurrency or virtual currency as such no disclosure is required.

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Note 53 - DISCLOSURE REQUIREMENTS UNDER MSMED ACT, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

PARTICULARS	31.3.2022	31.3.2021
- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3.78352	0.28011
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
- Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
- Further interest remaining due and payable for earlier years	-	-

Note 54 - Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

FOR RACE ECO CHAIN LIMITED

AUDITOR'S REPORT

AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR GARG ARUN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 08180N

Sd/-
PRANAV VASAN
DIRECTOR
DIN: - 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
CA. RAMAN KUMAR GARG (PARTNER)
M.NO. 090564

Sd/-
ANSHU AGARWAL
WTD & CFO

Sd/-
SHIWATI GANDHI
COMPANY SECRETARY

PLACE: NEW DELHI
DATED: 27th May 2022
UDIN: 22090564AJTLMH5199

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31st MARCH, 2022

NOTE 1

Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Corporate Information

RACE ECO CHAIN LIMITED ('the Company'), was incorporated on November 22, 1999 as a Company under the Companies Act, 1956 ('the Act'). The Company has registered office at Unit No.203, Plaza- P 3, Central Square, Bara Hindu Rao, Delhi - 110006, India. The Company is listed on the BSE Limited and National Stock Exchange of India Limited (Recognised Stock Exchanges in India).

The Company is engaged in the business of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste and to carry on the business, whether within or outside India, of collection, segregation, Storage, transportation, trading, processing, composting, recycling, treatment and disposal of all types of scrap and by-Products

(Whether Industrial or Otherwise).

1.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The financial statements up to and including the year ended 31 March 2021 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) under the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and other generally accepted accounting principles in India (collectively referred to as "Indian GAAP" or "Previous GAAP"). These financial statements for the year ended 31 March 2022 are the first financial statements of the Company under Ind AS. Refer note 26 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Amount in the Financial Statements are presented in Rs. Lakhs, unless otherwise Stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

The financial statements have been prepared on historical cost basis, except for the certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments). All assets and liabilities have been classified as current and non-current according to company's operating cycle other other criteria.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances

surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods.

1.2 Revenue Recognition

Revenue other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e., an Asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognises as revenue the amount of the service rendered (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

Fixed Price maintenance revenue is recognised rateably on a straight-line basis when services are performed through or indefinite number of repetitive acts over a specified period.

(ii) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Rental income

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(vii) Other Income

Other Income have been recognized on accrual basis in the Financial Statements, except when there is uncertainty of collection.

1.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

1.4 Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

1.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets

i) Initial recognition and measurement:

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

ii) Subsequent Measurement:

Debt instruments at amortized cost

a) 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

iii) De-recognition

The company derecognizes a financial asset when the contractual right to the cash flow from the financial asset end or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

iv) 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 that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial liabilities

i) Initial recognition and measurement

All Financial liabilities are recognized initially at fair value and fees of recurring nature are directly recognized in profit or loss as finance cost. The company's financial liabilities include trade and other payables.

ii) Subsequent Measurement:

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

(iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired or it transfers the financial liability, and the transfer qualifies for de-recognition under Ind AS 109.

1.6 Tangible Property, Plant & Equipment (PPE):

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Recognition:

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a)** It is probable that future economic benefits associated with the item will flow to the entity; and
- (b)** The cost of the item can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value

method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

The Residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate. Estimated useful lives of items of Property, Plant and Equipments are as follows: -

Assets	Useful life
Furniture and Fixtures	10 years
Computers	3 years
Vehicles	8 years
Building	60 years
Motor Bike	10 years
Office Equipments	5 years
Electrical Equipments	10 years

Plant & Machinery	15 years
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less

iii. The estimated useful lives and residual values of the Property Plant and Equipment are reviewed at the end of each financial year.

iv. Property Plant and Equipment, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

v. Depreciation on the Property Plant and Equipment added/disposed off/discarded during the year is provided from/up to the date when added/disposed off/discarded.

vi. Gains or losses arising from the retirement or disposal of Property Plant and Equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

1.7 Intangible Assets Measurement at recognition:

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development. The Company amortizes intangible assets on a straight-line basis over the five years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortization from the day the asset is put to use.

Assets	Useful life
Software & Mobile Application	5 years

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

1.8 Employee benefits

(i) Short-term obligations

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment obligations

Post-employment benefit plans are classified into defined benefit plans and defined contribution plans as under: -

Defined contribution plan:

Contribution made to the recognised provident fund, employees state insurance scheme etc. which are defined contribution plans, is charged to the Statement of Profit and Loss in the period in which they occur.

Defined benefits plan:

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on separation/retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

1.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cashflows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

1.10 Provisions and contingencies:

Provisions are recognised when the Company has 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed except when realization of income is virtually certain, and the related asset is recognized.

1.11 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

1.12 Inventories

Raw Material & Traded Goods are valued at lower of cost and net realizable value. However, material & other items held for use in the trading are not written down below cost of the finished products in which they will be incorporated if they are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

1.13 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.14 Cash and cash equivalents

Cash amounts represent cash on hand and demand deposits. Cash equivalents are primarily short-term highly liquid investments

with an original maturity of 90 days or less and which are subject to an insignificant risk of change in value.

--- End of Annual Report 2021-22 ---