

July 19, 2019

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Ref.: **BSE Scrip Code – 530643**

Sub.: **Submission of 25th Annual Report of Eco Recycling Limited for the financial year 2018-19**

Dear Sir,

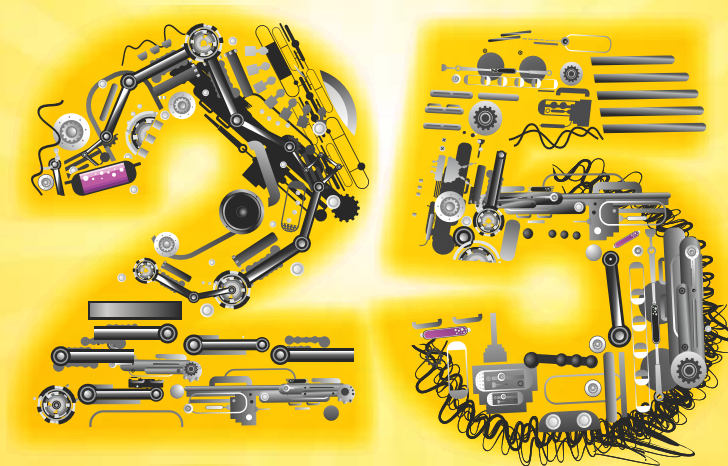
Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Annual Report for the financial year 2018-19 along with the Notice of the 25th Annual General Meeting (AGM) of the Company is attached. The 25th AGM will be held on Wednesday, August 14th 2019 at 12.00 p.m. at 422, The Summit Business Par, Near WEH Metro Station, Andheri Kurla Road, Andheri East, Mumbai 400093. Notice of the 25th AGM and Annual Report for the financial year 2018-19 can also be downloaded from website of the Company: [http://ecoreco.com/Uploads/Annual%20Reports/Ecoreco Annual Report 2018-19.pdf](http://ecoreco.com/Uploads/Annual%20Reports/Ecoreco%20Annual%20Report%202018-19.pdf).

Kindly take the same on your record and oblige.

Thanking You

For Eco Recycling Limited


Shashank Soni
Director
DIN: 02083384



GLORIOUS YEARS OF **E-WASTE RECYCLING!**

ECO RECYCLING LIMITED
ANNUAL REPORT 2018-2019

First e-waste recycling company registered with CPCB & MPCB and only recycling company listed in BSE.



AMITABH BACHCHAN

February 6, 2019

My dear Sir BK Soni

There is never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it is the only thing that ever has. The environment is where we all meet; where we all have a mutual interest; it is the one thing all of us share. Like music and art, love of nature is a common language that can transcend political or social boundaries.

My sincere congratulations on your attempt to conceptualize & create the recyclable Lord Ganesha out of end of life electronic items. Truly a great attempt. Do convey my congratulations to Ms. Nikita Soni for this creative work.

Wishing you the very best in your continued efforts to save planet Earth. You have my sincere prayers and best wishes.

Warmly,

Amitabh Bachchan

B K Soni
Chairman & MD
Eco Recycling Ltd
422, 4th floor, The Summit Business Bay
Near WEH Metro Station
Andheri-Kurla Road
Andheri East
Mumbai 400 093
Email: bksoni@ecoreco.com

PRATIKSHA JUHU MUMBAI 400 049

AMB:pd:jaaa

BOARD OF DIRECTORS

DIRECTORS

B K Soni – CMD
Srikrishna B. (Ceased w.e.f. 01/04/2019)
Aruna Soni
Shashank Soni
Dilip Boralkar - ExMS - MPCB (Appointed w.e.f. 26 /12 / 2018)
Vijay Acharya (Resigned w.e.f. 10 /10 / 2018)
D. T. Devale - Ex Senior Law Officer-MPCB

CFO

Anita Choudhari

COMPANY SECRETARY

Pooja Sharma
(Resigned w.e.f. 22nd April, 2019)

AUDITORS

Talati & Talati
Chartered Accountants
625, The Summit Business Park, Near WEH Metro Station,
Andheri (E), Mumbai – 400 093

BANKERS

Catholic Syrian Bank
Kotak Mahindra Bank

REGISTRARS & TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis
Next to Keys Hotel, Makwana Road, Andheri (E)
Mumbai – 400059

REGISTERED OFFICE

422,4th Floor The Summit Business Park
Near WEH Metro Station, Andheri (E), Mumbai–400 093

E-MAIL ADDRESS

info@ecoreco.com
shareholders@ecoreco.com

WEBSITE

www.ecoreco.com

NOTICE OF 25th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF ECO RECYCLING LIMITED WILL BE HELD ON WEDNESDAY, 14th AUGUST, 2019 AT 12.00 P.M. AT 422, 4TH FLOOR, THE SUMMIT BUSINESS PARK, NEAR WEH METRO STATION, ANDHERI (E) MUMBAI - 400093 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Board's Report and the Report of Auditors' thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon;
2. To appoint a Director in place of Mr. Shashank Soni (DIN: 02083384), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act') and who is not disqualified to become Director under the Act and, being eligible, offers himself for re-appointment;

SPECIAL BUSINESS:

3. **To approve the aggregate annual remuneration payable to Mr. Brijkishor Soni (DIN: 01274250)**

Promoter - Executive Managing Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013:

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

"RESOLVED THAT, pursuant to the Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, which has been inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from April 1, 2019 and other applicable regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force) ('Listing Regulations'), approval of the Members of the Company be and is hereby accorded to pay an aggregate annual remuneration to Mr. Brijkishor Soni (DIN : 01274250) Promoter - Executive Managing Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013, as mentioned in the Explanatory Statement, for their remaining tenure as Executive Managing Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be

required to give effect to the above resolution."

4. **To approve the aggregate annual remuneration payable to Mrs. Aruna Soni DIN: (01502649) Promoter - Executive Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013:**

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

"RESOLVED THAT pursuant to the Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, which has been inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from April 1, 2019 and other applicable regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force) ('Listing Regulations'), approval of the Members of the Company be and is hereby accorded to pay an aggregate annual remuneration to Mrs. Aruna Soni (DIN : 01502649) Promoter - Executive Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013, as mentioned in the Explanatory Statement, for their remaining tenure as Executive Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

5. To approve the capitalization of profit and free reserves for issue of Bonus Shares and to fix the Record Date:

In this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, including the Rules, Regulations, Circulars, etc. made/issued there under, subject to the Regulations and Guidelines issued by the Securities and Exchange Board of India (SEBI) including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors (hereinafter referred to as 'The Board', which expression shall be deemed to include a Committee of Directors duly authorised in this

behalf) of the Company and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board to capitalize such sum standing to the credit of the Company's Profit and loss account credit balance or such other accounts as are permissible to be utilized for the purpose as per the audited financial statements of the Company as on March 31, 2019, as may be considered necessary by the Board, for the purpose of issuance of one (1) bonus Equity Share of Rs. 10/- each (Rupee Ten Only) for every 10 (ten) existing Equity Shares of Rs. 10/- each (Rupee Ten Only) held by the Members of the Company, credited as fully paid-up Equity Shares to the holders of the Equity Shares, whose names appear in the Register of Members maintained by the Company including the List of Beneficial Owners as received from the Depositories, as the holders of Equity Shares of ₹10/- each (Rupees Ten Only) in the Company on Friday, August 23, 2019 (hereinafter referred to as 'Record date'), and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the Equity Share Capital of the Company held by each such Members and not as income and the said Bonus Equity Shares shall be issued and allotted shall be subject to the provisions of the Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid Equity Shares of the Company except that they shall

not be entitled to participate in any dividend which may be declared or paid by the Company in respect of any period prior to the financial year in which the Bonus Shares may be allotted.

RESOLVED FURTHER THAT no letters of allotment shall be issued to the allottees of the bonus shares.

RESOLVED FURTHER THAT that no fractions arising out of the issue and allotment of bonus equity shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the bonus equity shares, in lieu thereof, shall be allotted by the Board to the Nominee(s) appointed by the Board, who shall hold the same as Trustees for the Members entitled thereto, and sell the said Equity Shares so arising at the then prevailing market rate and pay to the Company net sale proceeds thereof, after adjusting there from the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlement.

RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares to the extent they relate to Non-Resident Indians, Persons of Indian Origin, Foreign Nationals, Overseas Corporate Bodies and other foreign investors of the Company will be subject to the approval of the Reserve Bank of India or any other regulatory authority, if required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for Listing of

the Bonus Equity Shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the Listing Agreement with the Stock Exchange concerned and other applicable laws and regulations and to make necessary application with the National Security Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for crediting the Bonus shares to the individual depository accounts of all the allottees.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may in its absolute discretion, deem necessary, expedient including the delegation of all or any of its powers herein conferred to any Director(s), Company Secretary or any other authorised signatory of the Company for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settling any question, doubt or difficulties that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution and the Board's decision in this regard shall be final and binding."

6. Appointment of Mr. Dilip Bhaskar Boralkar (DIN: 02515249) as an Independent Non - Executive Director:

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

"RESOLVED THAT Mr. Dilip Bhaskar Boralkar (DIN: 02515249), who was appointed by the Board of Directors as an Additional Director (Independent Non - Executive Director) of the Company with effect from December 26, 2018 and who holds office up to the date of this Annual General Meeting of the Company ('AGM') in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and who is not disqualified to become a director under the Act and who is eligible for appointment as a director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing him candidature for the office of the Director of the Company, being so eligible, be and is hereby appointed as the Director of the Company;

RESOLVED FURTHER THAT based on the recommendation of the Nomination and Remuneration Committee, and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable rules made under the Act, read with Schedule IV to the Act and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred to as 'the Listing Regulations'), Dilip Bhaskar Boralkar (DIN: 02515249), who meets the criteria for independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director (Independent Non Executive Director) of the Company, be and is hereby appointed as the Independent Director (Independent Non - Executive Director) not liable to retire by rotation, for a term of five consecutive years commencing from December 26, 2018 to December 25, 2023, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

7. Appointment of Mr. Srikrishna Bhamidipati (DIN: 02083384) as an Independent Director:

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

"RESOLVED THAT Mr. Srikrishna Bhamidipati (DIN: 02083384), who was appointed by the Board of Directors as an Additional Director (Independent Non - Executive Director) of the Company with effect from July 13, 2019 and who holds office up to the date of this Annual

General Meeting of the Company ('AGM') in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and who is not disqualified to become a director under the Act and who is eligible for appointment as a director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing him candidature for the office of the Director of the Company, being so eligible, be and is hereby appointed as the Director of the Company;

RESOLVED FURTHER THAT based on the recommendation of the Nomination and Remuneration Committee, and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable rules made under the Act, read with Schedule IV to the Act and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to

time, (hereinafter referred to as 'the Listing Regulations'), Mr. Srikrishna Bhamidipati (DIN: 02083384), who meets the criteria for independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director (Independent Non Executive Director) of the Company, be and is hereby appointed as the Independent Director (Independent Non - Executive Director) not liable to retire by rotation, for a term of five consecutive years commencing from July 13, 2019 to July 12, 2024, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

8. To Approve the Expenses for Service of Documents to Members:

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

"RESOLVED THAT pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, the consent of the Members be and are hereby accorded to charge from a member fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member for delivery of such document to him/ her through such mode of service provided that such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

RESOLVED FURTHER THAT Board of the Directors of the Company be and are hereby authorized to do all acts deeds and matters as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

Registered Office:

422, The Summit Business Park
Near WEH Metro Station,
Andheri East
Mumbai – 400 093
CIN: L74120MH1994PLC079971

13th July 2019
Mumbai

By order of the Board of Directors

B. K. Soni
Chairman & Managing Director
DIN: 01274250

Address:
501, Nilgiri, Juhu,
Vileparle (W), Mumbai - 400049
Maharashtra, India.

NOTES:

1. A Member entitled to attend and vote at the general meeting is entitled to appoint a proxy, who need not be a Member, to attend and vote on poll on behalf of himself/herself. The instrument appointing the Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the Meeting. A proxy form for the Annual General Meeting ('AGM') is enclosed.

A person can act as a proxy on behalf of the Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Member. Proxies submitted on behalf of Companies, Societies, etc. must be supported by valid and effective resolution/authority, as applicable.

2. The relevant statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), setting out the material facts relating to the special business as set out in the Notice is annexed hereto and forms part of the notice of this AGM.
3. The Company's Registrar & Share Transfer Agents are Bigshare Services Private Limited ('R & TA'), at Bharat Tin Works Building, First Floor, Opposite Vasant Oasis, Next

to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059
 Tel No: 022-8294 6263, Email: investor@bigshareonline.com.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 7, 2019 to Wednesday, August 14, 2019, both days inclusive, for taking record of the Members of the Company for the purpose of AGM.
5. Members are requested to:
 - (i) send all share transfer lodgements (Physical mode)/correspondence to the R&TA upto the date of book closure.
 - (ii) quote Registered Folio Number or DP ID/Client ID in all the correspondence.
6. As required under the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], the details in respect of the Director seeking re-appointment and Directors seeking approval for continuation of holding the office as the Non-Executive Directors at the AGM, inter alia, age, qualifications, experience, details of remuneration last drawn by such person, relationship with other Directors and Key Managerial Personnel of the Company, the number of Meetings of the Board attended during the year and other directorships, membership/ chairmanship of the committees of

other Boards, shareholding, etc. are annexed to the Notice and forms part of the Explanatory Statement.

Brief resume of all the Directors of the Company has also been furnished separately in the Annual Report. Mr. Shashank Soni (DIN: 02083384) has furnished the relevant consent for his re-appointment.

7. As per Sections 101 and 136 read with the Companies (Accounts) Rules, 2014 and all other applicable provisions of the Act, read with the Rules made under the Act, Companies can serve/send various reports, documents, communications, including but not limited to Annual Report comprising of the Report of the Board of Directors, Auditors' Report, Financial Statements, Notice of General Meetings, etc. (hereinafter referred to as 'the Documents') to its Members through electronic mode at their e-mail addresses.

The Company believes in green initiative and is concerned about the environment. The Company has e-mailed the Documents in electronic mode at your e-mail address obtained from the depositories/available with R & TA unless a Member has requested for a hard copy of the same.

Members are requested to furnish/update the details of their address, e-mail address, bank account details, relevant information for availing various approved/permissible modes of electronic funds transfer facilities viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time

Gross Settlement (RTGS), etc.:

- (i) to their Depository Participants in respect of their shareholdings in electronic (dematerialized) form;
- (ii) to R & TA, in respect of their shareholdings in physical form, quoting their folio numbers.

Members are entitled to have, free of cost, a copy of the Annual Report upon placing a specific requisition addressed to the R & TA.

8. Annual Report including inter alia the Report of the Board of Directors, Auditors' Report, Financial Statement, Notice of this AGM, Attendance Slip, Proxy Form, etc. is being sent by electronic mode to all the Members whose e-mail addresses are registered with the R & TA/depositories unless a Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode. The same are also available on the Company's website at: www.ecoreco.com.
9. In case a person has become a Member of the Company after the dispatch of the AGM Notice but on or before the cut-off date i.e. Wednesday, August 7, 2019, he/she/it may write to R & TA viz, Bigshare Services Private Limited at the address mentioned above or on their email ID: investor@bigshareonline.com requesting for the User ID and Password.
10. In terms of Section 72 of the Act read with the applicable Rules

made under the Act, every holder of shares in the Company may at any time nominate, in the prescribed manner (Form No. SH-13), a person to whom his/her shares in the Company shall vest, in the event of his/her death. Nomination Form can be obtained from the R & TA. The duly filled in Nomination Form shall be sent to R & TA at the above mentioned address by the Members holding shares in physical mode. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

11. Members/Proxies/Authorized Representatives should bring their copy of the Annual Report and Attendance Slip sent herein for attending the Meeting. Proxy/ Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form are requested to write their Client Id and DP Id and those who hold shares in physical forms are requested to write their folio number on the Attendance Slip for easy identification at the meeting.
12. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the relevant board resolution authorizing their representatives to attend and vote at the Meeting on their behalf.
13. In case of joint holders, the vote of such joint holder who is higher in the

order of names, shall be accepted to the exclusion of the votes of other joint holders.

14. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the R & TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.
15. Members desiring any information pertaining to the Financial Statement are requested to write to the Managing Director at the Registered Office of the Company at least 10 days prior to the date of the meeting so as to enable the Management to reply at the AGM.
16. Statutory Registers and all other documents relevant to the business as stated in the Notice convening the AGM are open for inspection by the Members at the Registered Office and Corporate Office of the Company upto and including the date of the ensuing AGM of the Company during business hours on any working day of the Company without payment of fee and will also be available at the AGM.
17. The Securities and Exchange Board of India ('SEBI') vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to R & TA viz, Bigshare Services Private Limited /Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The

original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook/ statement attested by the bank. Members holding shares in demat form are, requested to submit the aforesaid information to their respective Depository Participant.

18. SEBI has decided that securities of Listed Companies can be transferred only in dematerialised form with effect from June 30, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.

19. Voting through Electronic Means:

- a) Pursuant to Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and all other relevant Rules made under the Act and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility to the Members to exercise their right to vote on the resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through such voting. The cut-off date for the purpose of remote e-voting and voting at the AGM is Wednesday, August 7, 2019. Accordingly, the Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Wednesday, August 7, 2019

are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The Company has appointed Central Depository Services (India) Limited [CDSL] for facilitating remote e-voting.

- b) Subject to the applicable provisions of the Act read with the Rules made there under (as amended), the voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date for the purpose of remote e-voting, being Wednesday, August 7, 2019. Members are eligible to cast vote only if they are holding shares on Wednesday, August 7, 2019.
- c) The remote e-voting period will commence at 9.00 a.m. (IST) on Saturday, August 10, 2019 and will end at 5.00 p.m. (IST) on Tuesday, August 13, 2019. During this period, the Members of the Company holding shares in physical form or in dematerialized form as on cut-off date may cast their vote through remote e-voting. The remote e-voting module shall be blocked/disabled for voting thereafter.
- d) Once the vote on a resolution is cast by the Member, the

Member shall not be allowed to change it subsequently or cast the vote again. The Members may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again.

- e) The facility for voting, either through electronic voting system or ballot/polling paper, shall also be made available at the AGM and the Members attending the AGM and who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- f) A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:
- (i) The voting period begins on Saturday, August 10, 2019 at 9:00 a.m. (IST) and ends on Tuesday, August 13, 2019 at 5:00 p.m. (IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Wednesday, August 7, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- i. The shareholders should log on to the e-voting website www.evotingindia.com;
- ii. Click on "Shareholders" tab to caste your votes;

- iii. Now, select the Electronic Voting Sequence Number “EVSN” along with ECO RECYCLING LIMITED from the drop down menu and click on “SUBMIT”;
- iv. Now Enter your User ID;
 - a) For CDSL: 16 digits beneficiary ID;
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login;
- vi. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used;
- vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth DOB	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- viii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 7th August 2019, may obtain the login ID and password by sending a request to Bigshare Services Private Limited at investor@bigshareonline.com.
- ix. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- x. After entering these details appropriately, click on “SUBMIT” tab;

- xi. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;
- xiii. Click on the EVSN for the relevant **ECO RECYCLING LIMITED** on which you choose to vote;
- xiv. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution;
- xv. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details;

xvi. After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote;

xvii. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote;

xviii. You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page;

xix. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system;

xx. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile;

xxi. **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.

www.evotingindia.com and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xxii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

20. 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 i.e. Wednesday, August 7, 2019.

21. Voting at AGM: The Members, who have not cast their vote through remote e-voting, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through ballot paper shall be made available at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting; however these Members are not entitled to cast their vote again in the Meeting. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM.

22. Mr. Shivam Baghel (FCS: 47621 and CP: 21362), Proprietor of M/s. Shivam Baghel, Practising Company Secretaries, have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

23. The Scrutinizers shall immediately, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, within 48 hours from the conclusion of the meeting, a Consolidated Scrutinizer’s Report of the total votes cast in favor or against of the resolutions transacted in the AGM and submit forthwith the same to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

24. The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared along with the report of the scrutinizer shall be placed on the website of the Company i.e. www.ecoreco.com and on the website of CDSL i.e. www.evotingindia.com. The Company shall also simultaneously forward the results to BSE Ltd. (BSE), where the shares of the Company are listed.
25. Map of the venue of the AGM is given after the notice and forms part of the notice.
26. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Twenty-Fifth AGM i.e. Wednesday, August 14, 2019.

By order of the Board of Directors

B. K. Soni

Chairman & Managing Director

DIN: 01274250

501, Nilgiri, Juhu, Vileparle (W),
Mumbai - 400049

13th July, 2019

Mumbai

Registered Office:

422, The Summit Business Park

Near WEH Metro Station

Andheri (E) Mumbai – 400 093

CIN: L74120MH1994PLC079971

Venue of the Annual General Meeting

Landmark: Near Western Express Highway Metro Station

ROUTE MAP TO VENUE



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE COMPANY

Item No. 3 & 4:

The Securities and Exchange Board of India ('SEBI') vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ('the Amendment Regulations') which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Vide the Amendment Regulations, after the existing Regulation 17(6)(d), the new sub-regulation 17(6)(e) has been inserted. As per the new amendment, if the aggregate annual remuneration payable to more than one Executive Director who is a Promoter or is a Member of the Promoter Group, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 ('the Act') then approval of the Members by way of a Special Resolution is required. Such approval of the Members under this provision shall be valid only till the expiry of the term of such Director. Further, the said amendment shall come into force with effect from April 1, 2019.

Mr. Brijkishor Soni (DIN: 01274250) & Mrs. Aruna Soni (DIN: 01502649) are the Executive Directors and also the Promoters of the Company. The Board of Directors in their meeting held on 13th day of August, 2016 has re-appointed Mr. Brijkishor Soni (DIN: 01274250) as Managing Director of the Company for a period of 5 (five) years w.e.f. September 1, 2015 till August 31, 2020 at a salary of Rs. 2,50,000/- p.m. and applicable perquisites and commission of 5% on

the net profits of the Company subject to maximum of 5% on the net profits of the Company. The said re-appointment and payment of remuneration was also approved by the Members in the Annual General Meeting of the Company held on Friday, September 30, 2016.

Further, the Board of Directors in their meeting held on Saturday, March 31, 2012 has approved the payment of remuneration to Mrs. Aruna Soni (DIN: 01502649) as Director of the Company for a period w.e.f. April 1, 2011 to August 30, 2012 at a salary of Rs. 50,000/- p.m. Further in the Annual General Meeting held on Thursday, August 30, 2012 payment of remuneration was also approved by the Members of Rs. 50,000/- p.m. w.e.f. August 31, 2012 to March 31, 2014.

The annual remuneration payable to the Executive Directors i.e. Mr. Brijkishor Soni (DIN: 01274250) & Mrs. Aruna Soni (DIN: 01502649), is within the limit of 5% and 10% as specified u/s 197(1) of the Act. However, as per the new Regulation 17(6) (e) of the Listing Regulations, which will be applicable w.e.f. April 1, 2019, the approval of the Members by way of a Special Resolution is required since the Company has more than one Promoter Executive Director and remuneration paid to them is in excess of 5% of the net profits of the Company calculated as per Section 198 of the Act.

In view of the above, the Board recommends the Special Resolution mentioned at Item No. 3 & 4 as set out in the accompanying notice for the approval of Members for payment of remuneration

to Mr. Brijkishor Soni (DIN: 01274250) & Mrs. Aruna Soni (DIN: 01502649) on increase scale for their remaining tenure notwithstanding that it will be in excess of 5% of the net profits of the Company calculated as per Section 198 of the Act.

Pursuant to Section 102(1) of the Act, it is informed that, Mr. Brijkishor Soni (DIN: 01274250), Mrs. Aruna Soni (DIN: 01502649) & Mr. Shashank Soni (DIN: 06572759), Managing Director and Director of the Company, being relatives within the meaning of Section 2(77) of the Act, are concerned or interested in the Resolution at Item No. 3 & 4 of the accompanying notice.

As on March 31, 2019, Mr. Brijkishor Soni (DIN: 01274250) was holding 22,38,685 equity shares of the Company constituting 12.76% of total voting power and Mrs. Aruna Soni (DIN: 01502649) was holding 8,72,798 equity shares of the Company constituting 4.98% of total voting power. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than those mentioned above, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 & 4 of the accompanying Notice.

Item No. 5

The Company has sufficient free reserves and profits to its credit. Therefore, the Board has decided that the Members of the Company be given the benefit of the reserves and surplus built by the Company. The Audited Financial Statement of the Company as on March 31, 2019 represents the sufficient balance

standing to the credit of Profit and Loss account to issue Bonus Shares. In view of the above circumstances, Directors of the Company in their meeting held on July 13, 2019 have considered it desirable to issue Bonus Shares to the equity shareholders of the Company after capitalizing a sum of 1,75,42,500/- (Rupees One Crore Seventy Five Lacs Forty Two Thousand Five Hundred Only) out of the Company's Profit and Loss account credit balance or such other accounts as are permissible to be utilized for the purpose, as per the audited financial statements of the Company as on March 31, 2019 and distributed in the proportion of One (1) fully paid equity share of Rs. 10/- each of the Company for every ten (10) existing fully paid equity shares of Rs.10/- each of the Company held by them as on the Record date as may be decided by the Members, which is proposed to be Friday, August 23, 2019, and that such new shares as and when issued and fully paid shall rank pari-passu with the existing issued Equity Shares.

The issue of fully paid Bonus Equity Shares by way of capitalization of profits/reserves is permitted under section 63 of the Companies Act, 2013. The proposed issue of Bonus Equity Shares also fulfills the SEBI Regulations. Hence, applications will be made to the Stock Exchanges for permission to listing and dealing in such Bonus Equity Shares. The Article No. 170(a) of the Articles of Association of the Company permits capitalization of reserves by applying the same towards issue and distribution of fully paid shares to the Members, after obtaining approval of the Members of Company by way of an Ordinary Resolution and hence the above resolution is proposed for the approval of the Members as an Ordinary Resolution.

It is also necessary/expedient to authorize the Board of Directors of the Company or any Committee thereof, to complete all the regulatory formalities in connection with the issue of Bonus Shares that may be prescribed by the Companies Act, 2013, the SEBI Act, the Stock Exchanges on which the Company's securities are listed or any other regulatory authority.

Pursuant to provisions of Section 102(1) of the Companies Act, 2013 nature of concern and interest of Directors and Key Managerial Persons in resolution mentioned at item No. 5 of the notice calling this AGM is as follows:

The above resolution is the statutory requirement that shareholders should approve the said resolution and there is no financial interest of the Directors of the Company in the said resolution, except to the extent of their shareholding in the Company and to the extent of shares which may be allotted to them by the Company by virtue of Bonus Issue. Mr. Brijkishor Soni (DIN: 01274250) and Mrs. Aruna Soni (DIN: 01502649) holds 22,38,685, and 8,72,798 equity shares, respectively, of the Company as on March 31, 2019. Other than as mentioned earlier, there is no other interest of the Directors or Key Managerial Person of the Company.

The Board of Directors is of the opinion that aforesaid issuance of Bonus Shares is in the best interest of the Company and Investors hence recommends passing of Resolution as set out at Item No. 5 of the accompanying notice as Ordinary Resolution for the approval of the Members.

All documents referred to in the agenda item No. 5 of the accompanying notice shall be open for inspection at the

Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on all working days except Sundays and public holidays, up to and including the date of ensuing Annual General Meeting of the Company.

Item No. 6

The Nomination & Remuneration Committee, at its meeting held on December 26, 2018, recommended to appoint Mr. Dilip Bhaskar Boralkar (DIN: 02515249) as an Additional Director (Independent Non- Executive Director) for a term of five consecutive years commencing from December 26, 2018 to December 25, 2023, not liable to retire by rotation. The Board of Directors, at its meeting held on December 26, 2018, accepted the recommendation of the Nomination & Remuneration Committee and appointed Mr. Dilip Bhaskar Boralkar (DIN: 02515249) as an Additional Director (Independent Non-Executive Director) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), for a term of five consecutive years commencing from December 26, 2018, not liable to retire by rotation, subject to the approval of the Members. He holds office up to the date of this Annual General Meeting (AGM) pursuant to section 161 of the Act and is eligible to be appointed as the Director and he is not disqualified to become a director under the Act. The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of the Director of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Dilip Bhaskar

Boralkar (DIN: 02515249), are in any way, concerned or interested in the said resolution. The Board recommends to pass Ordinary Resolution as set out in Item No.6 of the notice.

The Company has received from Mr. Dilip Bhaskar Boralkar (DIN: 02515249) consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Dilip Bhaskar Boralkar (DIN: 02515249) fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management. Mr. Dilip Bhaskar Boralkar (DIN: 02515249) is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Dilip Bhaskar Boralkar (DIN: 02515249), are in any way, concerned or interested in the said resolution. The Board recommends to pass Ordinary Resolution as set out in Item No.6 of the notice.

Item No 7

The Nomination & Remuneration Committee, at its meeting held on July 16, 2019, recommended to appoint Mr. Srikrishna Bhamidipati (DIN: 02083384) as an Additional Director (Independent Non- Executive Director) for a term of five consecutive years commencing from July

13, 2019 to July 12, 2024, not liable to retire by rotation. The Board of Directors, at its meeting held on July 13, 2019, accepted the recommendation of the Nomination & Remuneration Committee and appointed Mr. Srikrishna Bhamidipati (DIN: 02083384) as an Additional Director (Independent Non-Executive Director) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), for a term of five consecutive years commencing from July 13, 2019, not liable to retire by rotation, subject to the approval of the Members. He holds office up to the date of this Annual General Meeting (AGM) pursuant to section 161 of the Act and is eligible to be appointed as the Director and he is not disqualified to become a director under the Act. The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of the Director of the Company.

The Company has received from Mr. Srikrishna Bhamidipati (DIN: 02083384) consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Srikrishna Bhamidipati (DIN: 02083384) fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and

he is independent of the management. Mr. Srikrishna Bhamidipati (DIN: 02083384) is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Srikrishna Bhamidipati (DIN: 02083384), are in any way, concerned or interested in the said resolution. The Board recommends to pass Ordinary Resolution as set out in Item No.7 of the notice.

Item No 8

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to approve the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be approved in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item No. 8 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the accompanying Notice.

Annexure to item Nos. 3, 4, 6 & 7 of the Notice

(Details as required to be furnished under the secretarial standard – 2 – para 1.2.5 and regulation 36 (3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015).

Name of the Director	Mr. B. K. Soni	Mrs. Aruna Soni
DIN	01274250	01502649
Date of Birth and Age	17/03/1959	29/06/1962
Qualifications	Cost & Management Accountant	Bachelor of Arts
Nationality	Indian	Indian
Terms and conditions of appointment / re-appointment	Appointed as Managing Director w.e.f. September 1, 2015 whose term of office is not liable to retire by rotation. However, in this AGM only revision in terms and conditions of remuneration is considered.	
Details of remuneration sought to be paid	Rs. 3,50,000/- per month	Rs. 1,50,000/- per month
Date of first appointment on the Board	01/08/1994	01/08/1994
Number of board meetings attended during the year	5	5
Relationship with Directors, Managers or other KMPs	Father of Mr. Shashank Soni and husband of Mrs. Aruna Soni	Mother of Mr. Shashank Soni and wife of Mr. Brijkishor Soni
Brief Resume	<p>B. K. Soni is the Chairman and Managing Director of Eco Recycling Ltd (Ecoreco) and the chief promoter of the group. He is responsible for the strategic growth initiatives of the company and building a professional team of leaders.</p> <p>Mr. Soni is a qualified Cost & Management Accountant from the Institute of Cost Accountants of India. He has been a part of several industry associations and was a member of the Expert Group on E-waste Management constituted by the Maharashtra Pollution Control Board.</p>	
Expertise in specific functional area	Strategic growth initiatives of the company.	
Directorships (other than Eco Recycling Limited)	<ol style="list-style-type: none"> 1. Ecoreco Park Private Limited 2. Ecoreco Ventures Private Limited 3. Ecoreco Enviro Education Private Limited 4. Reverse Logistics & Warehousing Private Limited 5. EPR Compliance Private Limited 	<ol style="list-style-type: none"> 1. Ecoreco Park Private Limited 2. Ecoreco Ventures Private Limited 3. Ecoreco Enviro Education Pvt. Ltd. 4. Reverse Logistics & Warehousing Private Limited 5. EPR Compliance Private Limited 6. Data De-End Private Limited 7. Reverse E-Commerce Pvt. Ltd.
Chairman/ Member of Committees of the Board of Directors of other Companies in which he is a Director*	Not applicable	Not applicable
Shareholding in the Company	22,38,685 Shares	8,72,798 Shares

Name of the Director	Mr. Dilip Bhaskar Boralkar	Mr. Srikrishna Bhamidipati
DIN	02515249	02083384
Date of Birth and Age	08/06/1953	15/01/1972
Qualifications	Environmental Scientist, Ph.D from Mumbai university	B.Tech, IIT Mumbai and MMM, JBMIS Mumbai
Nationality	Indian	Indian
Terms and conditions of appointment / re-appointmen	Additional Director (Independent Non- Executive Director) for a term of five consecutive years commencing from December 26, 2018 to December 25, 2023, not liable to retire by rotation.	Additional Director (Independent Non- Executive Director) for a term of five consecutive years commencing from July 13, 2019 to July 12, 2024, not liable to retire by rotation.
Details of remuneration sought to be paid	Nil	Nil
Date of first appointment on the Board	26/12/2018	13/07/2019
Number of board meetings attended during the year	1	3
Relationship with Directors, Managers or other KMPs	Not Applicable	Not Applicable
Brief Resume	Senior Environmental Scientist with 42 years experience and former Member Secretary (MS) of Maharashtra Pollution Control Board (2003-2007)	B.Tech from IIT Mumbai with 22 years of experience in software development, telecom solutions, real time currency and commodity exchanges.
Expertise in specific functional area	As our company is into pollution abetting industry expertise of Mr. Boralkar of over 42 years within the industry and pollution control Board brings great advantage to the company.	In the company he is involved in guiding the refurbishment team
Directorships (other than Eco Recycling Limited)	Not Applicable	1. Avance Technologies Limited 2. OptivisionSFXSolutionsPrivateLimited
Chairman/ Member of Committees of the Board of Directors of other Companies in which he is a Director*	Not Applicable	None
Shareholding in the Company	Nil	Nil

Registered Office:

422, The Summit Business Park
 Near WEH Metro Station,
 Andheri East
 Mumbai – 400 093
CIN: L74120MH1994PLC079971

By order of the Board of Directors

B. K. Soni
 Chairman & Managing Director
 DIN: 01274250
 501, Nilgiri, Juhu,
 Vileparle (W), Mumbai - 400049
 13th July, 2019
 Mumbai

DIRECTORS' REPORT

The Members of ECO RECYCLING LIMITED

The Directors are pleased to present the Twenty Fifth Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended 31st March, 2019.

1. THE STATE OF THE COMPANY'S AFFAIRS

The year under discussion was one of the most satisfying one in terms of qualitative business, value added services & return on investment points of view. We hope that the business of waste management & recycling will increase substantially in the near future and your Company will put its best efforts to take benefit of this growing opportunity. This year also, the Company would like to focus on value added services and remarketing of refurbished IT Equipment. At the same time, with the stricter implementation of the E-waste Management Rules, the volume of recycling of e-waste is also expected to increase substantially.

1.1 KEY FINANCIAL HIGHLIGHTS (₹ in Lacs)

Particulars	Standalone		Consolidated	
	For the Financial Year ended 31st March, 2019	For the Financial Year ended 31st March, 2018	For the Financial Year ended 31st March, 2019	For the Financial Year ended 31st March, 2018
Income	1290.00	1417.00	1290.00	1401.00
Expenditure	1143.00	1323.00	1163.00	1346.00
Profit / (Loss) before Depreciation and Tax and exceptional Item	147.00	94.00	127.00	55.00
Exceptional Item	-	901.00	-	901.00
Depreciation	46.00	37.00	47.00	38.00
Profit / (Loss) before Tax	101.00	(844.00)	80.00	(884.00)
Deferred Tax/ Current Tax	(31.00)	-	(31.00)	-
Profit/ (Loss) after Tax	132.00	(844.00)	111.00	(844.00)

During the year under review, the Company has reported a total income of Rs. 1290 lakhs out of which non-operating income amounts to Rs. 46.32 lakhs. Income from operations is Rs. 1244.00 lakhs which has increased by Rs. 92 lakhs i.e. by 8% as compared to the previous year.

1.2 Change in nature of Business

The Company is engaged in the business of e-waste management and recycling. There was no change in nature of business activity during the year.

1.3 Changes in Share Capital

During the Financial Year 2018-19 there was no change in capital structure of the company. The paid up equity capital as on March 31, 2019 is Rs.17.54 Lacs.

During the year under review, the company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares.

1.4 Revision of Annual Financial Statement

There was no case of revision in financial statement during the year.

2. DIVIDEND

Your Directors have not recommended any dividend for the financial year ended March 31, 2019.

3. TRANSFERS TO RESERVES

During the year the Company has not transferred any amount to the reserves.

4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since Recycling is the core activity of your Company, Section 134(3) of the Companies Act, 2013 read with the rules made thereunder, the clause relating to Conservation of Energy and Technology absorption is not applicable to your Company.

6. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo in terms of actual outflows during the year is as follows:

(₹ in Lacs)

Particulars	2018-19	2017-18
Earnings in Foreign Currency	90.86	94.59
Expenses in Foreign Currency	--	--

7. EXTRACTS OF ANNUAL RETURN

In accordance with Section 134(3) (a) read with Section 92(3) of the Act, an extract of the Annual Return in Form MGT-9 is placed on the website of the Company and same can be downloaded by clicking on

the following link: <http://ecoreco.com/investor-annual-reports.aspx>

8. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

9. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.



10. BOARD MEETINGS

The Board of Directors (herein after called as “the Board”) met for 5 (Five) times during the Year under review:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1	30.05.2018	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 2:00 P.M.	i) Dattatraya Devale ii) Aruna Soni iii) Srikrishna B. iv) Shashank Soni	i) B K Soni ii) Vijay Acharaya
2	14.08.2018	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 4:00 P.M.	i) B K Soni ii) Aruna Soni iii) Srikrishna B. iv) Shashank Soni v) Dattatraya Devale	i) Vijay Acharaya
3	14.11.2018	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 5:00 P.M.	i) B K Soni ii) Aruna Soni iii) Srikrishna B. iv) Shashank Soni v) Dattatraya Devale	-
4	26.12.2018	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 4:00 P.M.	i) B K Soni ii) Dattatraya Devale iii) Shashank Soni iv) Srikrishna B.	i) Aruna Soni
5	11.02.2019	422, The Summit Business Park, Near WEH Metro Station, Andheri (East), Mumbai – 400 093 Time: 4:00 P.M.	i) B K Soni ii) Aruna Soni iii) Dattatraya Devale	i) Srikrishna B. ii) Shashank Soni iii) Dilip Boralkar

11. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on the date of this Report, your Company has 6 (Six) Directors consisting of 3 (Three) Independent Directors, 3 (Three) Executive Directors including a Woman Director.

In pursuance of the provisions of Section 152(6) of the Act and Articles of Association of the Company, Mr. Shashank Soni (DIN: 06572759) retires by rotation from the Board in the ensuing AGM and, being eligible for re-appointment, has offered himself for re-appointment. The Board of Directors recommends his re-appointment to the Members of the Company.

During the year under review, Mr. Vijay Jagannath Acharya (DIN: 07114916), Independent & Non-Executive Director, has resigned from the Board of Directors of the Company with effect from October 10, 2018 due to personal commitments and other pre-occupations. The Board of Directors places on record their appreciation for the valuable contributions made by Mr. Vijay Jagannath Acharya (DIN: 07114916).

Further, the Board of Director of the Company in the Board Meeting held on December 26, 2018 has appointed Mr. Dilip Bhaskar Boralkar (DIN: 02515249) as an Additional Independent & Non-Executive Director. Pursuant to provisions of Section 160 and 161 of the Companies Act, 2013 their term as Director is valid till the ensuing Annual General Meeting of the Company. The Company

has received notice from a Member of the Company u/s 160 of the Act proposing the candidature of Mr. Dilip Bhaskar Boralkar (DIN: 02515249) as an Independent & Non-Executive Director of the Company. The Board has considered the proposal and decided to recommend their name to the Members in ensuing Annual General Meeting to be appointed as an Independent & Non-Executive Director of the Company.

Furthermore, after the closure of financial year but before signing the Board's Report, Mr. Srikrishna Bhamidipati (DIN: 02083384), Independent Non-Executive Director of the Company has completed his one term as an Independent Director of the Company and his tenure as an Independent Director of the Company has come to an end.

Ms. Pooja Sharma has tendered her resignation as the Whole-time Company Secretary and Compliance Officer of the Company w.e.f. April 22, 2019.

Furthermore, as per section 149(11) of the Companies Act, 2013, no independent director shall hold office for more than two consecutive terms. Since Mr. Srikrishna Bhamidipati has completed his one term as an Independent Director of the Company and being eligible for being appointed as an Independent Director of the Company for one more term, the Board of Director of the Company in the Board Meeting held on July 13, 2019 has appointed Mr. Srikrishna Bhamidipati (DIN: 02083384) as an Additional Independent & Non-Executive Director. Pursuant to

provisions of Section 160 and 161 of the Companies Act, 2013 their term as Director is valid till the ensuing Annual General Meeting of the Company. The Company has received notice from a Member of the Company u/s 160 of the Act proposing the candidature of Mr. Srikrishna Bhamidipati (DIN: 02083384) as an Independent & Non-Executive Director of the Company. The Board has considered the proposal and decided to recommend their name to the Members in ensuing Annual General Meeting to be appointed as an Independent & Non-Executive Director of the Company

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

According to the Amendment Regulation 17(6)(e), if the aggregate annual remuneration payable to more than one Executive Director who is a Promoter or is a Member of the Promoter Group, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Act then approval of the Members by way of a Special Resolution is required. Such approval of the Members under this provision shall be valid only till the

expiry of the term of such Director. The approval of the Members by way of a Special Resolution is required since the Company has more than one Promoter Executive Director, i.e. Mr. Brijkishor Soni (DIN: 01274250) and Mrs. Aruna Soni (DIN: 01502649), and remuneration paid to them is in excess of 5% of the net profits of the Company calculated as per Section 198 of the Act, even though the annual remuneration payable to the Executive Directors is within the limit of 5% and 10% as specified u/s 197(1) of the Act.

The Board recommends the approval for payment of aggregate annual remuneration to the Promoter-Executive Directors/Members of the Promoter Group exceeding 5% of the net profits of the Company.

Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his role, function, duties and responsibilities. The format of the letter of appointment is available on our website at <http://ecoreco.com/investor-overview.aspx>

Brief resume and other details of the Director proposed to be re-appointed at the AGM, as stipulated under the Listing Regulations and Secretarial Standard-2, has been furnished separately in the Notice convening the AGM read with the Annexure thereto forming part of this Report.

Details of the number of meetings of the Board of Directors and Committees and attendance at the meetings have been furnished in the Report on Corporate Governance.

Following persons are designated as Key Managerial Personnel (KMP):

- Mr. Brijkishor Soni (DIN: 01274250), Chairman and Managing Director
- Mrs. Anita Choudhari, Chief Financial Officer

12. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

All Independent Directors of your Company have given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to 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 and that they are not disqualified to become Directors under the Act

Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013 and the Rules made thereunder.

13. Board Familiarization Program

At the time of appointment of a new Director, through the induction process, he/she is familiarized with the Company, the Director's roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Detailed presentations are made before the Board Members at the Board and its

Committee Meetings covering various areas including business, strategy, financial performance and forecast, compliances/regulatory updates, audit reports, risk assessment and mitigation, industry, roles, rights, responsibilities of Independent Directors, etc.

Familiarization Program for Independent Directors:

The Familiarization Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. All Independent Directors attended the orientation and familiarization programs held during the financial year 2018-19.

The details of training and familiarization programs are available on our website at: <http://ecoreco.com/Uploads/Downloads/Familiarization Programme.pdf>

14. CODE OF CONDUCT

The Company has laid down a code of conduct for all Board members and senior management and Independent Directors of the Company. All the Board members including independent directors and senior management personnel have affirmed compliance with the code of conduct.

15. NOMINATION & REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 and 20 of SEBI (LODR) Regulations, 2015 the Company has constituted Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Composition of the above

Committees, their terms of reference detailed in the Corporate Governance report.

16. AUDIT COMMITTEE

The Audit Committee comprises of Mr. Shrikishna Bhamidipati as Chairman, Mr. Dattatraya Devale and Mrs. Aruna Soni as members. The Internal Auditors of the Company report directly to the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board. The details of meetings of Audit Committee held during the year, its composition, terms of reference are given in the Report on Corporate Governance.

17. REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has approved and adopted a Remuneration Policy for selection and appointment of Directors, Senior Management personnel and their remuneration. The Remuneration Policy of the Company forms part of this report as **Annexure I**.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a 'Whistle Blower Policy'/'Vigil Mechanism' in place. The objective of the Vigil Mechanism is to provide the employees, Directors, customers, contractors and other stakeholders of/in the Company an impartial and fair avenue to raise concerns and seek their redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair dealings with all its stakeholders and constituents and its commitment to open communication channels. The Company is also committed to provide requisite safeguards for the protection of the

persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. The Policy contains the provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy has been disclosed on the Company's website www.ecoreco.com and circulated to all the Directors and employees.

19. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated under section 134(3) (c) read with Section 134(5) of the Act, your Directors hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on March 31, 2019, the applicable accounting standards have been followed and that there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2019 and of the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care 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;

- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively during the financial year ended March 31, 2019; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively during the financial year ended March 31, 2019.

20. COMMISSION RECEIVED BY DIRECTORS FROM HOLDING/ SUBSIDIARY COMPANY

None of director is in receipt of any commission from the company and commission from any holding company or subsidiary company of company. Hence provisions of section 197 (14) of Companies Act, 2013 are not applicable to the Company.

21. RISK MANAGEMENT

The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and addressed.

The Audit Committee oversees enterprise risk management framework to ensure execution of decided strategies with focus on action and monitoring risks arising out of unintended consequences of decisions or actions and related to performance, operations, compliance, incidents, processes, systems and transactions are managed appropriately. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

22. AUDITORS:

22.1 STATUTORY AUDITOR

On the recommendation of the Audit Committee and the Board, the Members in their Twenty-Third Annual General Meeting has appointed M/s. Talati & Talati, Chartered Accountants, (Firm Registration No.110758W) as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the Twenty-Third AGM of the Company till the conclusion of the Twenty-Eighth AGM to be held for the financial year 2021-22. In view of provisions of proviso to Section 139(1) of the Act, the said appointment was made subject to ratification of their appointment in subsequent AGMs. Pursuant to the Companies (Amendment) Act, 2017, the said proviso was omitted with effect from May 7, 2018. In view of the same, no ratification of appointment of Auditors will be required every year. However, as at the time of appointment, i.e. as at the Twenty-Third AGM, it was decided to ratify appointment of the Statutory Auditors in subsequent AGMs. Accordingly, it is recommended to ratify their appointment in this AGM for their remaining tenure and payment of remuneration.

M/s. Talati & Talati, Chartered Accountants, has furnished a certificate in terms of the Act and the Companies (Audit and Auditors) Rules, 2014 and confirmed their eligibility in terms of the provisions of Section 141 and all other applicable provisions of the Act, read with the applicable Rules thereto.

Explanation to Auditor's Remark
 The Board has duly reviewed the statutory Auditors Report on the Accounts. The notes forming part of the accounts referred to in the Auditors Report of the Company are self-explanatory and do not call for any further explanation.

22.2 SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Pramod S. Shah and Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure IV** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

22.3 COST RECORD AND COST AUDIT

Your company does not fall within the provisions of Section 148 of Company's Act, 2013 read with the Companies(Cost records & Audit) Rules, 2014, therefore no such records required to be maintained.

22.4 INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014 and on the basis of the recommendation of Audit Committee, the Board of Directors in their meeting held on May 30, 2019 had appointed M/s. Abhishek Ruia & Company,

Chartered Accountants, Mumbai (Membership Number: 135938) as the Internal Auditors of the Company for the financial year ended March 31, 2020.

23. REPORT ON PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company has made investment in 849999 equity shares having face value of Rs. 10/- each in Ecoreco Enviro Education Private Limited which constitute 99.99% of total shareholding of the aforesaid Company. Pursuant to section 2(87) (ii) of Companies Act, 2013 Ecoreco Enviro Education Private Limited is a Subsidiary Company. Further Company along with its Audited standalone financial statements have also produced Audited Consolidated Financial results for the year 2018-19 in order to enable its Shareholders to have insight in the working of its Subsidiary Company.

There has been no material change in the nature of the business of the subsidiary company. Pursuant to Rule 5(1) of the Companies (Accounts) Rules, 2014 the performance and financial position of the subsidiary company and associate company is included for the financial year ended March 31, 2019 as per Form AOC – 1 attached to the this report as **Annexure II**. Further, during the year of report, no Subsidiary/Joint Ventures/Associate were ceased to operate.

Sr. No.	Name of the Company	Subsidiary / Associate
1	Ecoreco Enviro Education Private Limited	Subsidiary

24. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

During the financial year under review, the Company has not entered into any contracts/arrangements/transactions with related parties which could be considered material in accordance with the Company's Policy on materiality of related party transactions. All contracts/arrangements/transactions entered into by the Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis. Accordingly, the disclosure of related party transactions to be provided under section 134(3)(h) of the Act in Form AOC-2 is appended as **Annexure III**.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <http://ecoreco.com/Uploads/Downloads/Materiality-Policies.pdf>

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan or given guarantee or provided securities as covered under section 186 of the Act. Further, the Company has not made any fresh investment falling within the meaning of Section 186 of the Act.

26. CORPORATE SOCIAL RESPONSIBILITY

Your company does not fall under the requirements of Section 135 of Companies Act, 2013 for establishing Corporate Social responsibility (CSR) committee; therefore no such committee was established by the Board.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

28. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors is committed to continued improvement in its effectiveness. Accordingly, the Board participated in the annual formal evaluation of its performance. This was designed to ensure, amongst other things, that the Board, its Committees and each Director continue to contribute effectively.

As per Section 134(3)(p) of the Act, a statement indicating the manner in which formal annual evaluation was made by the Board of their performance and that of its Committees and individual Directors, has to be furnished to the Members as part of the Board's Report. Further, the Independent Directors as part of their mandate under Schedule IV of the Act need to make an evaluation of performance of the constituents of the Board apart from their self evaluation. Under this process, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, setting out parameters of evaluation; the questionnaire for evaluation are to be filled in, consolidated and discussed with the Chairman. The evaluation by the Independent Directors has been undertaken at their meeting held on August 14 2018. The Board of Directors undertook evaluation of Independent Directors at their meeting held on August 14 2018 and placed on its record that the Independent Directors have the requisite qualification, expertise and track record for performing their duties as envisaged under the Law, and they add value in the decision making process of the Board.

The criteria for evaluation of performance of Directors, the Board as a whole and the Board's Committee, are summarized in the table given below:

Evaluation of	Evaluation by	Criteria
Non-Independent Director (Executive)	Independent Directors	Transparency, Leadership (business and people), Corporate Governance and Communication
Non-Independent Director (Non-Executive)	Independent Directors	Preparedness, Participation, Value addition, Corporate Governance and Communication
Independent Director	All other Board Members	Preparedness, Participation, Value addition, Corporate Governance and Communication
Chairman	Independent Directors	Dynamics, Leadership (business and people), Corporate Governance and Communication, Strategy
Committees	Board Members	Composition, Process and Dynamics
Board as a whole	Independent Directors	Composition, Process and Dynamics

29. EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with deferential voting rights.

30. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

- None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- Details of remuneration of each Director to the median remuneration of the employees pursuant to Section 197 read with Rule 5 of the Companies Act, 2013 are attached to this report a **Annexure I**.

31. VOTING RIGHTS OF EMPLOYEES

During the year under review the company has not given loan to any employee for purchase of its own shares as per section 67(3)(c) of Companies Act, 2013.

32. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued shares under employee's stock options scheme pursuant to provisions of Section 62 read with Rule 12(9) of Companies (Share Capital and Debenture) Rules, 2014.

33. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of Companies (Share Capital and Debenture) Rules, 2014 during the Financial Year.

34. CORPORATE GOVERNANCE REPORT

Your Company and its Board has been complying with Corporate Governance practices as set out in a separate report in pursuance of requirement of para C of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure V**. Practising Company Secretary M/s. Pramod S. Shah & Associates certificate confirming compliance of the Corporate Governance as stipulated under the said Regulations is also attached to this Report.

35. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year under review as stipulated under regulation 34 of the Listing Regulations is set out in a separate Section forming part of this Report.

36. LISTING AT STOCK EXCHANGE

The Equity shares of the Company are listed with BSE Ltd, Mumbai and the listing fee for the year 2018-19 has been duly paid.

37. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risks, as consider necessary by the Management from time to time.

38. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required by Regulation 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2019.

39. DEPOSITORY SYSTEM

Your Company's shares are compulsorily tradable in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories mentioned above.

40. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

41. INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere,

hard work, loyal, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year.

42. SEXUAL HARASSMENT

Your Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. During the year ended March 31, 2019, no complaints have been received pertaining to sexual harassment.

43. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. It may be noted that during the year 2018-19 no grievance / complaint from any women employee was reported.

44. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

45. SECRETARIAL STANDARDS

The Company has complied with all the applicable secretarial standards issued by The Institute of Company Secretaries of India and notified by the Central Government.

46. ACKNOWLEDGEMENTS

On occasion of the Silver Jubilee Year, your Directors place on record their special gratitude to all the Governments and Government Departments, Company's Bankers and all other stakeholders for extending their assistance and co-operation and encouragement to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Customer, Vendors, Employees and all other stakeholders in ensuring an excellent all round operational performance.

For and on behalf of the Board of Directors
Eco Recycling Limited

B. K. Soni

Chairman & Managing Director

DIN: 01274250

13th July 2019
Mumbai



MANAGEMENT DISCUSSION AND ANALYSIS

THE JOURNEY OF RECYCLING BEGINS

We are once again proud to mention that prior to your company started e-waste recycling business in the country in the year 2005, the entire end of life electrical & electronic equipment or e-waste was being collected & dismantled by the Kabadies (informal waste workers). Over a period of 14 years, your company contributed enormously for the development of the e-waste recycling industry in India.

To know about the E-waste Recycling Business your CMD attended E-scrap Conference 2005 in Orlando in USA and also attended RWM show in Birmingham, UK in 2005 and since then made it a point to attend the above shows every year and similar such international conferences to learn from the experiences of the global Recyclers & other experts.

Based on the knowledge gathered and the guidance received from the experienced recyclers & experts for implementation of an e-waste management facility of the international level, your company imported its first large shredder from Ireland in 2006, imported another shredder for hard disk destruction from UK in 2007, started India's first Data Destruction Facility on wheels in 2008 and also India's first Lamp Recycling Facility on wheels in the same year.

It was also a very proud moment, when your CMD was inducted as a member on the Expert Group for E-waste Study formed by the Maharashtra Pollution Control Board (MPCB), received authorisation to operate India's first E-waste Recycling Facility from the MPCB and also registered by the Central Pollution Control Board as the India's first E-waste Recycling Facility, recognised as India's first registered Research & Development Facility for developing various technologies for environment friendly recovery of various fractions from the e-waste.

Over a period of time, your company developed capability in the following areas:

1. Reverse Logistic (Own fleet of vehicles & TPL support)
2. Data Destruction (Software Deletion, Degaussing Services & Physical Destruction)
3. Refurbishment & Remarketing (ITAD Services)
4. Metal shredding and magnetic sorting
5. Plastic shredding & auto sorting
6. Lamp Recycling
7. Cable Recycling
8. White Goods Recycling
9. PRO Services to EEE Producers
10. EPR Services to meet Targets
11. CSR Services
12. Skill Development as a funded partner of NSDC
13. On line trading platform for dry waste
14. Mobile Application for e-waste collection
15. And the Journey is on.....

We feel very proud of above developments and assure the stakeholders that we will keep enhancing your Company's capabilities as we progress. In the immediate future, the Company would like to focus on the following:

1. Increase number of Collection Points for end users to deposit their e-waste seamlessly.
2. Implement fused lamps collections and pre-processing network to support environment & society and also assist lamp manufacturers to meet their obligation under the Rules.
3. Increase number of Skill Development Cum Collection Centres and Reverse

Logistic Network to support Producers meet their targets in a cost-effective manner.

4. Start your Company's second Recycling Facility of 50,000 MTPA within this Financial Year.
5. Raise sufficient funds to meet the above requirement on time.

At this point of time, it is equally important to share some other developments like:

NITI Aayog CEO Mr. Amitabh Kant said that India is the fourth largest producer of the e-waste in the World. He also suggested that India needs reconciliation between economy and ecology. Sustainable development and resource circularity is an inescapable necessity today.

MRAI (Material Recycling Association of India) is lobbying very extensively at the Central Government level to get the National Recycling Policy implemented in the Country as soon as possible.

NASSCOM has recommended introduction of a point-based reward system of e-waste recycling credits for formal organisations to incentivise them to channel their e-waste through government-approved recycling centres.

CPCB & SPCBs are also putting their best efforts for stricter implementation of the Rules.

In the light of the above developments & recommendations and the E-waste Management Rules with targets for Producers in place, we all should aim for the next orbit to enter. We once again assure you that your company will not leave any stone unturned to stay ahead in the race.

There are no material changes in the financial ratios as compared to the previous year.

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE I

Nomination and Remuneration Policy

The Board of Directors of Eco Recycling Limited ("the Company") constituted Remuneration Committee in the year 2007, which was renamed as Nomination and Remuneration Committee in the year 2014 pursuant to section 178 of Companies Act, 2013 consisting of three (3) Directors forming majority are Non-Executive Independent Directors. The same has been reconstituted on December 26, 2018 as per requirement of section 178 of the Companies Act, 2013 and Regulation 19 of LODR, 2015 constituting 3 Non-Executive Independent Directors as member of committee.

1. Purpose of the Policy:

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

The Policy is framed with the objective(s):

1. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the working potential of all the Directors and Key managerial Personnel (KMP) of the Company;
2. To ascertain that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
3. To ensure that the remuneration to Directors and Key Managerial Personnel (KMP) of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

4. To lay down criteria with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration;
5. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
6. To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
7. To lay down criteria for appointment, removal of directors and Key Managerial Personnel and evaluation of their performance.

2. Definitions:

- 2.1 Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2 Board means Board of Directors of the Company.
- 2.3 Directors mean Directors of the Company
- 2.4 Policy or this Policy means, "Nomination and Remuneration Policy."
- 2.5 Key Managerial Personnel means
 - 2.5.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.5.2. Whole-time director;
 - 2.5.3. Chief Financial Officer;
 - 2.5.4. Company Secretary; and
 - 2.5.5. Such other officer as may be prescribed.
- 2.6 Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

2.7 Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

2.8 Company means Eco Recycling Limited.

2.9 Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

3. Applicability:

The Policy is applicable to

3.1 Directors (Executive and Non-Executive)

3.2 Key Managerial Personnel

3.3 Senior Management Personnel

4. ROLE OF COMMITTEE

4.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

The Committee shall:

4.1.1 Identify persons who are qualified to become Directors and Key Managerial Personnel (KMP) who may be appointed in accordance with the criteria laid down.

4.1.2 Recommend to the Board appointment and removal of Directors and KMP and shall carry out evaluation of every director's performance.

4.1.3 Formulate the criteria for determining qualifications, positive attributes and independence of a director.

4.1.4 Recommend to the Board a policy, relating to the remuneration for the Directors and Key Managerial personnel and other employees.

4.1.5 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and Key

Managerial Personnel and such other factors as the Committee shall deem appropriate.

4.1.6 Make independent / discreet references, where necessary, well in time to verify the accuracy of the information furnished by the applicant.

4.2. Policy for appointment and removal of Director and Key Managerial Personnel (KMP):

4.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

4.2.2. Criteria for Remuneration to Directors, Key Managerial Personnel and Senior Management

a) Performance: The Committee shall while determining remuneration ensure that the performance of the Director and Key Managerial Personnel and their commitment and efficiency is constructive and beneficial in generating commercial for the Company.

- (b) **Responsibilities and Accountability:** The roles and responsibilities towards the organisation and the position of the Director and Key Managerial Personnel shall be formerly evaluated to fix the remuneration.
- (c) **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- (d) **Flexibility:** The Remuneration payable shall be flexible to meet both the needs of individuals and those of the Company while complying with relevant tax and other legislation.
- (e) **Affordability and Sustainability:** The remuneration payable is affordable and on a sustainable basis.

4.2.3. Remuneration to Directors and Key Managerial Personnel

The Committee shall ensure that the Remuneration payable to Directors and Key Managerial Personnel shall be paid after complying with the provisions of Section 197 and Schedule V and such other applicable provisions of the Companies Act, 2013.

4.2.4. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive

terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

4.2.5. Evaluation

The Committee shall carry out evaluation of performance of every Director and KMP at regular interval (yearly).

4.2.6. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and Key Managerial Personnel subject to the provisions and compliance of the said Act, rules and regulations.

4.2.7. Retirement

The Director and Key Managerial Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4.3 Policy relating to the Remuneration for the Whole-time and Director:

4.3.1. General

- a) The remuneration / compensation / commission etc. to the Whole-time Director, and Key Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.

b) In determining the remuneration of Whole-time Director and Key Managerial Personnel the Committee should consider among others:

- Conducting benchmarking with companies of similar type on the remuneration package;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Clear linkage of remuneration and appropriate performance benchmarking; and
- Remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives to the working of the Company and its goals.

c) Increments including bonuses, incentive and other rewards to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be approved by the Shareholders of the Company and/or Central Government, wherever required.

4.3.2. Remuneration to Non- Executive / Independent Director

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that amount of fees shall not exceed Rs. 10,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

5. Membership

- 5.1 Members of the Committee shall be appointed by the Board with a minimum of three Non-Executive Directors out of which not less than one-half shall be Independent Director.
- 5.2 The Chairman of the Committee shall be elected from members amongst themselves who shall be

an Independent Director. In the absence of the Committee's Chairman, the remaining members present shall elect one of themselves to chair the meeting.

5.3 Only members of the Committee have the right to attend and vote at the Committee meetings and any other person required to attend the meeting will have no right to vote.

5.4 The Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him in this behalf shall attend the general meetings of the Company.

6. Frequency of the meetings

The Committee shall meet at such times so as to enable it to carry out its powers, functions, roles & responsibilities. However, the Committee shall meet at least once in a year.

7. Quorum for the meeting

The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

8. Committee Members' Interests

8.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

8.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. Minutes of Committee Meetings:

Proceedings of all the meetings are recorded and signed by the Chairman of the said meeting or by the Chairman of the next succeeding meeting. Minutes of the Committee meeting are tabled at the Meeting of the Board and entered in the Minutes binder.

10. Amendment

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

ANNEXURE - II

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakh)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Ecoreco Enviro Education Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	85.00
5	Reserves & surplus	(158.32)
6	Total assets	180.20
7	Total Liabilities	180.20
8	Investments	Nil
9	Turnover	Nil
10	Profit before taxation	(21.86)
11	Provision for taxation	Nil
12	Profit after taxation	(21.86)
13	Proposed Dividend	Nil
14	% of shareholding	100

Note:-

- Names of subsidiaries which are yet to commence operations:- NIL
- Names of subsidiaries which have been liquidated or sold during the year:- NIL

A Funded Partner of NSDC



ANNEXURE - III

Form AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Eco Recycling Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2018 - 19. The Company has laid down policies and processes / procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis:**
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Date(s) of approval by the Board, if any: Not Applicable
 - (f) Amount paid as advances, if any: None

Note: All related party transactions are bench marked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors.

ANNEXURE - IV SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

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

To,
The Members,
Eco Recycling Limited

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

Based on our verification of Companies 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) E-waste Management Rules 2016;

- (iv) 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 (Prohibition of Insider Trading) Regulations, 2015;

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

- (i) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India (SS – 1 & SS – 2). Company has complied with the Secretarial Standards to the extent possible.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda

and detailed notes on agenda were sent at least seven days in advance, along with consent for shorter notice has been taken 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.

During the period, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor, Internal Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

Pramod S. Shah & Associates
(Practicing Company Secretaries)

Mumbai
13/04/2019
Bharat Sompura-Partner
Pramod S. Shah & Associates
Membership No.: 10540 (ACS)
C P No.: 5540

ANNEXURE - V

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2018 - 2019

(Forming part of the Board Report of Eco Recycling Limited)

Corporate Governance is a process to manage the business affairs of the Company towards enhancing business prosperity and accountability with the objective of realizing long term shareholder value. Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Corporate Governance enjoys a commitment of the Company to run the business in legal, ethical and transparent manner emanating from the top and permeating throughout the organization. It involves a set of relationships between the Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors and in establishing productive and lasting business relationship with all stakeholders.

The Equity Shares of the Company are listed and admitted to dealings in BSE Limited, Bombay Stock Exchange of India.

Pursuant to the provisions of Regulation 34(3) read with Chapter IV and Schedule V and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a report on Corporate Governance for the financial year ended March 31, 2019 is furnished below:

1. COMPANIES PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors, by considering itself as trustee of its shareholders, aims at maximizing shareholders value and protecting the interest of all stakeholders.

Philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all faces of its operation and dealing with its shareholders, employees, lenders, creditors, customers and the government. Your company shall continue to follow the same with a desire for further development on continuous basis.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company has adopted best practices mandated in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS:

The Company is fully compliant with the Corporate Governance norms in respect of constitution of the Board of Directors. The Company's Board represents an optimum mix of professionalism, knowledge and experience. The Board formulates strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Managing Directors are responsible for day-to-day operations of the Company.

Eco Recycling Board of Directors has an ideal composition of Executive and Non-Executive Directors with one Woman Director. Half of the Board consists of Independent Directors. The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors (IDs) to maintain the independence of the Board and separate its functions of governance and management.

As per the declaration received from IDs, all IDs meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 ('the Act') and are abide by the obligations as laid down under Regulation 25 of the Listing Regulations and Schedule IV of the Act. None of the Directors on the Board are Independent Directors of more than seven Listed Companies.

Composition of the Board of Directors as on March 31, 2019 was in accordance with the requirements of Regulation 17 of the Listing Regulations. As per Regulation 26(1) of the Listing Regulations, none of the Directors on the Board is the Member of more than 10 Committees and Chairperson of more than 5 Committees across all the Companies in which they are Directors. The same is also evidenced from the table given below.

As on the date of this Report, in compliance with the Listing Regulations, Eco Recycling Board of Directors headed by its Chairman & Managing Director - Mr. Brijkishor Soni (DIN: 01274250), comprised of 5 (Five) other Directors, including a Woman Director, out of which 3 (three) Directors are Independent Non-Executive Directors. Detailed profile of our Directors is available on our website at www.ecoreco.com and also given in this Annual Report.

Details relating to the composition of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other Public Limited Companies as on the date of this report are as follows:

a. Composition of the Board of Directors:

The name and category of Director on the Board, the number of Directorship held by them in other Company and numbers of the Committees in which they are the Member are given herein below:

Name of the Director(s) and their DIN	Designation	Category	Name of Listed Entity in which he is director & Category	No. of other Directorships#	Committee positions #	
					Chairperson	Member
Executive Directors						
Mr. Brijkishor Soni (DIN: 01274250)	Chairman & Managing Director	Promoter	-	5	-	-
Mrs. Aruna Soni (DIN: 01502649)	Executive Woman Director	Promoter	-	7	-	3
Mr. Shashank Soni (DIN: 02083384)	Director	-	-	3	-	-
Non -Executive Directors						
*Mr. Vijay Acharya (DIN: 07114916)	Non-Executive Director	Independent	-	1	-	-
Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Non-Executive Director	Independent	-	2	3	-
**Mr. Srikrishna Bhamidipati (DIN: 02083384)	Non-Executive Director	Independent	Avance Technologies Limited - Executive	1	3	-
Mr. Dilip Bhaskar Boralkar\$ (DIN: 02515249)	Non-Executive Director	Independent	-	-	-	3

*resigned from the Board of Directors of the Company with effect from October 10, 2018

** Ceased to be Director of the Company with effect from April 01, 2019

\$ Appointed as a Director of the Company in the Board Meeting dated December 26, 2018

[#]For the purpose of considering the number of other Directorships and Committee positions, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and Companies under section 8 of the Companies Act, 2013 have been excluded. Committee positions considered are only of Audit Committee and Stakeholders' Relationship Committee, including that of the Company.

b. Attendance at Board Meeting and Annual General Meeting:

During the Financial Year 2018-19, 5 Meeting of Board of Directors were held. The dates of Board meeting are as under: 30th May 2018; 14th August 2018; 14th November 2018; 26th December 2018 and 11th February 2019.

The last Annual General Meeting of the Company was held on 15th September, 2018.

Sr. No.	Date of Meeting	Attendance at the Board Meetings held on						
		Mr. B. K. Soni	Mrs. Aruna Soni	Mr. Srikrishna Bhamidipati	Mr. Shashank Soni	Mr. Vijay Acharya	Mr. Dattatraya Trimbak Devale	Mr. Dilip Bhaskar Boralkar
1	30 th May 2018	Present	Present	Present	Present	Absent	Present	NA
2	14 th August 2018	Present	Present	Present	Present	Absent	Present	NA
3	14 th November 2018	Present	Present	Present	Present	NA	Present	NA
4	26 th December 2018	Present	Absent	Present	Present	NA	Present	Present
5	11 th February 2019	Present	Present	Absent	Absent	NA	Present	Absent

Sr. No.	Date of Meeting	Attendance at the Annual General Meeting held on September 15, 2018					
		Mr. B. K. Soni	Mrs. Aruna Soni	Mr. Srikrishna Bhamidipati	Mr. Shashank Soni	Mr. Vijay Acharya	Mr. Dattatraya Trimbak Devale
1	September 15, 2018	Present	Present	Present	Absent	Absent	Absent

c. Details of Directors seeking re-appointment at the forthcoming Annual General Meeting:

Mr. Shashank Soni (DIN: 06572759) is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

d. Relationship between the Directors inter-se:

Mr. Brijkishor Soni (DIN: 01274250), Mrs. Aruna Soni (DIN: 01502649) and Mr. Shashank Soni (DIN: 06572759), Directors of the Company, are related with each other (*inter-se*) within the meaning of the Listing Regulations.

None of the Independent/Non-Executive Directors of the Company has any material pecuniary relationships or transactions with the Company, its promoters, its Directors or its senior management which may affect their independence.

Besides the transactions reported in the Notes to the Accounts for the year, the Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict with the interest of the Company at large.

e. Number of shares of the Company held by Non- Executive Directors as on the date of this Report:

Sr. No.	Name of Director	No. of Shares held	% of Shareholding
1.	Mr. Vijay Acharya (DIN: 07114916)*	-	-
2.	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	-	-
3.	Mr. Srikrishna Bhamidipati (DIN: 02083384)**	-	-
4.	Mr. Dilip Bhaskar Boralkar (DIN: 02515249)	-	-

* resign from the Board of Directors of the Company with effect from October 10, 2018.

** ceased to be Directors of the Company with effect from April 01, 2019.

f. Weblink where details of familiarization programmes imparted to Independent Directors is disclosed:

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

The familiarisation programmes aims to provide insight to the Independent Directors to understand the business of the company. A familiarization programme was conducted for non-executive directors on areas such as the core functions of the Company, overview of the industry, financials and the performance of the Company. An overview of the familiarization programme is placed on the Company's website at http://ecoreco.com/Uploads/Downloads/Familiarization_Programme.pdf

Core area under Familiarization Programme:

- Nature of the Industry in which the Company operates;
- Business model of the Company;
- Risk and Challenges for the Company;
- Changes in Business Environment;

- Strategic discussion and future outlook.

g. Meeting of Independent Directors:

In accordance with the provisions of Schedule IV of the Act, a separate meeting of the Independent Directors was held during the year on August 14, 2018 without the attendance of Non-Independent Directors and Members of the Management. At this meeting, the IDs *inter-alia*:

- i. evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole;
- ii. evaluated the performance of the Chairman of the Board taking into account the views of the Executive Director and Non-Executive Directors; and
- iii. assessed the aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board which is considered necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by Mr. Srikrishna Bhamidipati (DIN: 02083384), Mr. Dattatraya Trimbak Devale (DIN: 07186290). Mr. Dattatraya Trimbak Devale (DIN: 07186290) was the Chairman of the meeting. The Independent

Directors discussed matters pertaining to the Company's affairs and functioning of the Board and the evaluation of the members of Board

h. Board's Functioning & Procedures:

Board members are informed well in advance about the schedule of the Meetings. The Company Secretary in consultation with the Chairman of the Company drafts the agenda for each meeting, along with agenda notes and send the same coupled with the documents related to Agenda at least seven days in advance to all the Directors for facilitating fruitful and focused discussions at the meeting. Every Board member can suggest the inclusion of additional items in the agenda. In order to enable the Board to discharge its responsibilities effectively, the Board reviews the overall Company performance on the basis of functional report placed before it by the Chairman and Managing Director.

The functions performed by the Board, *inter-alia*, include review of:

- Strategy and business plans,
- Annual operating and capital expenditure budgets,
- Quarterly results of the Company,
- Minutes of the Meeting of Audit and other Committees of the Board,

- Information on recruitment and remuneration of senior officers,
- Investment and exposure limits,
- Business risk analysis and control,
- Compliance with statutory/regulatory requirements,
- Review of major legal issues,
- Transaction pertaining to the purchase or disposal of property, major provisions and write offs.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting. Additional meetings are held whenever deemed necessary. At the Board Meetings, the Directors are being provided information as stipulated in Regulation 17(7) of the Listing Regulations in addition to other business items.

i. Board Evaluation:

The Nomination and Remuneration Committee has approved a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of Directors of the Company.

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman

of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors and the performance evaluation of Independent Directors was done by the entire Board of Directors, excluding the Director being evaluated.

The Directors expressed their satisfaction with the evaluation process.

- j. Declaration by the Chairman & Managing Director under regulation 34(3) of the Listing Regulations regarding adherence to the Code of Conduct is forming part of the Report on Corporate Governance.
- k. A Certificate as stipulated under Regulation 17(8) of the Listing Regulations was placed before the Board of Directors and is also forming a part of the report on Corporate Governance.
- l. Detailed reason of resignation of Independent Director: Mr. Vijay Acharya (DIN: 07114916) has tender his resignation with effect from October 10, 2018 due to personal commitments and pre-occupation. Except this there are no other material reasons other than those provided above.

3. STATUTORY COMMITTEES OF THE BOARD:

The Company has developed all the necessary Committees of the Board namely:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders Relationship Committee / Shareholders Grievances Committee.

The constitution, terms of reference and the functioning of the above mentioned Committees of the Board is explained herein.

The Board reviews the functioning of these committees from time to time. The Chairman of these Committees conducts the Meetings and also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors and are tabled at the respective Board / Committee Meetings.

I. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015 and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only Independent Directors.

i. Composition of the Audit Committee:-

The Composition of Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulation.

The composition of the Audit Committee as at March 31, 2019 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Audit Committee Meetings held on			
			30.05.2018	14.08.2018	14.11.2018	11.02.2019
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)*	Chairman- Non-Executive Independent Director	Present	Present	Present	Present
2	Mrs. Aruna Soni (DIN: 01502649)	Member- Executive Director	Present	Present	Present	Present
3	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member -Independent Non- Executive Director	Present	Present	Present	Present

*ceased to be Directors of the Company with effect from April 01, 2019

The Members of the Audit Committee met Four (4) times during the financial year 2018-19 on May 30, 2018, August 14, 2018, November 14, 2018, and February 11, 2019. The highlights of each of the Audit Committee Meetings were informed to the Board of Directors and discussed in the Board Meeting. All the recommendations made by the Audit Committee during the year were accepted by the Board.

Mr. Srikrishna Bhamidipati (DIN: 02083384), Chairman of the Audit Committee, was present at the last Annual General Meeting held on Saturday, September 15, 2018 to answer the queries of the shareholders.

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Act and Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary of the Audit Committee.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting and its compliance with the legal and regulatory requirements. The Committee oversees the work carried out in the financial reporting process by the Management, the Internal Auditors and the Statutory Auditors and notes the processes and safeguards employed by each of them.

As the tenure of Mr. Srikrishna Bhamidipati (DIN: 02083384) has been completed on March 31, 2019, the Company need to reconstitute the Audit Committee. The Company in the Board Meeting reconstituted the Audit Committee comprising of Mr. Dattatraya Trimbak Devale (DIN: 07186290), Independent Director as the Chairperson of the committee, Mr. Dilip Bhaskar Boralkar (DIN: 02515249), Additional Independent & Non-Executive Director and Mrs. Aruna Soni (DIN: 01502649), Executive Director as the member of the committee.

ii. Terms of Reference of the Audit Committee are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement forming part of the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. Reviewing, with the Management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk Management systems;
12. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
 - a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - b. The vigil mechanism under sub-section (9) of Section 177 of Companies Act, 2013, shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
21. The Audit Committee shall have powers, which should include the following:
 - a. To investigate any activity within its terms of reference;
 - b. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of Companies Act, 2013, or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
 - c. To seek information from any employee;
 - d. To obtain outside legal or other professional advice;
 - e. To secure attendance of outsiders with relevant expertise, if it considers necessary;
22. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;
23. All Related Party Transactions shall require prior approval of the Audit Committee.
Approval or any subsequent modification of transactions of the company with related parties;
24. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc.), on a quarterly basis

as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated to all the Members and confirmed at the subsequent Meeting.

II. NOMINATION AND REMUNERATION COMMITTEE:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Act and the Listing Regulations, as amended from time to time, the scope and the terms of reference of the Nomination and Remuneration Committee have been expended. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Act and the Listing Regulations (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof).

i. Composition, Names of the Chairperson and Members of the Committee and their attendance details:-

Your company has formed this committee to consider and approve the remuneration payable to the directors. The Composition of Nomination and Remuneration Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation.



The composition of the Nomination and Remuneration Committee as at March 31, 2019 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Nomination and Remuneration Committee Meeting held on		
			30.05.2018	14.08.2018	26.12.2018
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)*	Chairman - Non-Executive Independent Director	Present	Present	Present
2	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member - Independent Non-Executive Director	Present	Present	Present
3	Mr. Vijay Acharya (DIN: 07114916)**	Member - Independent Non-Executive Director	Absent	Absent	Absent
4	Mr. Dilip Bhaskar Boralkar\$ (DIN: 02515249)	Member - Executive Director	Absent	Absent	Present

**ceased to be Directors of the Company with effect from April 01, 2019. Thus, he ceased to be the Member of the Nomination and Remuneration Committee.*

***resign from the Board of Directors of the Company with effect from October 10, 2018. Thus, he ceased to be the Member of the Nomination and Remuneration Committee.*

\$ Appointed as Director of the Company in the Board Meeting dated December 26, 2018.

During the year, Mr. Vijay Acharya (DIN: 07114916) has tender his resignation w.e.f. October 10, 2018. Due to resignation of Mr. Vijay Acharya (DIN: 07114916) there was reconstitution of Nomination and Remuneration committee on board meeting held on December 26, 2018.

Mr. Srikrishna Bhamidipati (DIN: 02083384), the Chairman of the Nomination and Remuneration Committee, was present at the last Annual General Meeting held on Saturday, September 15, 2018 to answer the queries of the shareholders.

The purpose of this Committee is to screen and to review individuals qualified to serve as Executive Directors, Non-executive Directors, Independent Directors and Key Managerial Personnel and remuneration to be paid to them in accordance with the Nomination and Remuneration Policy of the Company and recommend to the Board for its approval. The Committee makes recommendations to the Board on candidates for –

- (i) nomination for election or re-election by the shareholders; and
- (ii) any Board vacancies that are to be filled.

It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Management or the Chairman of the Company. It reviews and discusses all matters pertaining to candidates and evaluates the candidates as Director or Key Managerial Personnel. The Nomination and Remuneration Committee co-ordinates and oversees the annual evaluation of the Board and of individual Directors.

As the tenure of Mr. Srikrishna Bhamidipati (DIN: 02083384) has been completed on March 31, 2019, the Company need to reconstitute the Nomination and Remuneration Committee. The Company in the Board Meeting reconstituted the Audit Committee comprising of Mr. Dattatraya Trimbak Devale (DIN: 07186290), Independent Director as the Chairperson of the committee, Mr. Dilip Bhaskar Boralkar (DIN: 02515249), Additional Independent & Non-Executive Director and Mrs. Aruna Soni (DIN: 01502649), Executive Director as the member of the committee.

ii. Terms of Reference of the Nomination and Remuneration Committee are as follows:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors (Board) their appointment and removal and to carry out evaluation of every director's performance
- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- while formulating the policy as aforesaid, to ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals, : provided that such policy shall be disclosed in the Board's Report.
- to approve the payment of remuneration as prescribed under Schedule V of the Act
- to determine, review and recommend to the Board, the remuneration of the Company's Managing/Joint Managing/Deputy Managing/Whole time/Executive Director(s), including all elements of remuneration package

- to determine, review and recommend to the Board, the remuneration of the Company's top executives who are one level below the Managing/Joint Managing/Executive Director(s)
- to formulate, implement, supervise and administer the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines
- formulation of criteria for evaluation of independent directors and the Board of Directors
- devising a policy on diversity of the Board of Directors
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent director
- aligning key executive and board remuneration with the longer term interests of the Company and its shareholders
- ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender
- to carry out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities

iii. Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Policy of the Company showcase the appointment criteria and remuneration payable to the Directors of the Company. The remuneration paid to the Directors is broadly based on the criteria such as his/her qualification, experience, profile and his

performance. Detailed procedure of performance evaluation is provided under point no. 28 of Board' Report.

The criterion for evaluation of performance of Independent Directors *inter-alia* includes:

- highest Personal and Professional ethics, integrity and values,
- inquisitive and objective perspective, practical wisdom and mature judgment,
- demonstrated intelligence, maturity, wisdom and independent judgment,
- Self-confidence to contribute to Board deliberations and stature such that other board members will respect his or her view,
- the willingness and commitment to devote the extensive time necessary to fulfill his/her duties,
- the ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including willingness to listen and respect the views of others,
- the skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable Company or organization, including but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing,
- commitment, including guidance provided to the Senior Management outside of Board/Committee Meetings,
- effective deployment of knowledge and expertise,

- independence of behavior and judgment,
- maintenance of confidentiality of critical issues.

iv. **Nomination and Remuneration Policy:**

In terms of Section 178 of the Companies Act, 2013 and as per Listing Regulation, the policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company had been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The policy act as guidelines for determining, inter-alia, qualification, positive attribute and Independence of Director, matters relating to remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

III. **STAKEHOLDERS RELATIONSHIP COMMITTEE / SHAREHOLDERS GRIEVANCE COMMITTEE:**

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of stakeholders' grievances, the Stakeholders' Relationship Committee is constituted. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

a. **Composition, Names of the Chairperson and Members of the Committee and their attendance details:-**

The Company constituted Stakeholder Grievance Committee, to specifically look into the Redressal of the shareholder's grievances, share transfers and other investor related matters.

The composition of the Stakeholder Grievance Committee as at March 31, 2019 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation & Category	Attendance at the Stakeholder Grievance Committee Meetings held on			
			30.05.2018	14.08.2018	14.11.2018	11.02.2019
1	Mr. Srikrishna Bhamidipati (DIN: 02083384)*	Chairman- Non-Executive Independent Director	Present	Present	Present	Absent
2	Mrs. Aruna Soni (DIN: 01502649)	Member- Executive Director	Present	Present	Present	Present
3	Mr. Dattatraya Trimbak Devale (DIN: 07186290)	Member -Independent Non-Executive Director	Absent	Absent	Absent	Present

*ceased to be Directors of the Company with effect from April 01, 2019.

The role of the Committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, non receipt of Annual Reports and such other grievances as may be raised by the security holders from time to time.

As the tenure of Mr. Srikrishna Bhamidipati (DIN: 02083384) has been completed on March 31, 2019, the Company need to reconstitute the Nomination and Remuneration Committee. The Company in the Board Meeting reconstituted the Audit Committee comprising of Mr. Dattatraya Trimbak Devale (DIN: 07186290), Independent Director as the Chairperson of the committee, Mr. Dilip Bhaskar Boralkar (DIN: 02515249), Additional Independent & Non-Executive Director and Mrs. Aruna Soni (DIN: 01502649), Executive Director as the member of the committee.

b. Name and designation of Compliance Officer:

Ms. Pooja Sharma, Company Secretary, is the Compliance Officer of the Company in terms of Regulation 6(1) of the Listing Regulations (*e-mail ID: shareholders@ecoreco.com*). She has been entrusted the task of overseeing the Share transfer, transmission, splitting and consolidation of shares and issue of duplicate share certificates done by the R & TA and attending to Grievances of the Shareholders/Investors intimated to the Company directly by the SEBI.

c. The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee includes the following:-

1. Transfer / Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious Redressal of investors' grievances;
5. Non receipt of Annual Report and declared dividend,;
6. All other matters related to shares.

d. Details of the Shareholders' Complaints:

No. of pending complaints as on April 1, 2019	0
Number of shareholders' complaints received during the financial year 2018-19	2
Number of complaints not resolved to the satisfaction of shareholders as on March 31, 2019	0
No. of pending complaints as on March 31, 2019	0

The complaints have been resolved in consonance with the applicable provisions of the relevant rules/regulations and acts for the time being in force.

All Share transfers and correspondence thereon are handled by the Company's R & TA viz. M/s. Bigshare Private Limited having Registered Office at Bharat Tin Works Building, First Floor ,Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059.

e. Brief description of terms of reference:

The terms of reference of Committee *inter-alia* includes:

- to consider and resolve the grievances of security holders of the Company
- to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders
- to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc.
- to supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- to issue the duplicate share certificate(s) and supervise the process
- to supervise the process relating to consider re-materialization/de-materialization requests
- to oversee the performance of the Company's registrar & share transfer agents
- to implement and monitor the Company's Code of Conduct for Prohibition of Insider Trading in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
- to make recommendations to improve service levels for stakeholders
- to carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities

f. Meetings during the year:

During the financial year under review, the Committee met four (4) times, i.e. on May 30, 2018, August 14, 2018, November 11, 2018 and February 11, 2019.

4. REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY:

(a) Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

During the year none of the Non-executive and Independent Directors was paid any remuneration except sitting fees for attending Board Meetings /Audit Committee Meetings / Nomination and Remuneration Committee Meetings. No Sitting fees are paid for the Stakeholders Relationship Committee / Shareholders' Grievance Committee Meetings.



(b) Disclosures with respect to remuneration:

- (i) Details of remuneration paid to the Executive Directors & Non - Executive Directors for the financial year 2018-19 are as given below:

Name of the Director	Salary	Contribution to P.F. Gratuity and Superannuation Fund	Perquisites	Performance Pay	Sitting fees	Total
Mr. B. K. Soni	3,000,000	-	-	-	-	3,000,000
Mrs.Aruna Soni	-	-	-	-	30,000	30,000
Mr. Srikrishna Bhamidipati *	-	-	-	-	20,000	20,000
Mr.Shashank Soni	2,400,000	-	-	-	30,000	2,430,000
Mr. Vijay Acharya **	-	-	-	-	-	-
Mr. Dattatraya Trimbak Devale	-	-	-	-	30,000	30,000
Mr. Dilip Boralkar \$	-	-	-	-	10,000	10,000

* cesaed to be Directors of the Company with effect from April 01, 2019.

** resign from the Board of Directors of the Company with effect from October 10, 2018.

\$ appointed as Additional Director with effect from December 26, 2018.

5. GENERAL BODY MEETING:

- The particulars of the last three Annual General Meetings are as under:

Financial Year	Date of the Annual General Meeting	Venue of the Annual General Meeting	Time of the Annual General Meeting	Details of Special Resolution Passed
2015-2016	September 30, 2016	205, Centre Point, next to Hotel Kohinoor Andheri Kurla Road, Andheri –East, Mumbai-400 059.	11.00 A.M.	Reappointment of Mr. B.K. Soni as Managing Director for a period of five years.
2016-2017	4 th August, 2017	422, The Summit Business Park, Near WEH Metro Station, Andheri Kurla Road, Andheri (E) Mumbai-400 093	11.00 A.M.	To adopt new set of Articles of associations.
2017-2018	15 th September, 2018	422, The Summit Business Park, Near WEH Metro Station, Andheri Kurla Road, Andheri (E) Mumbai-400 093	11.00 A.M.	Revision of remuneration of Mr. Shashank Soni.

- Extra ordinary General Meeting:**

No Extra ordinary General Meeting of the members was held during the year under review.

- Details of the Special Resolution passed through Postal Ballot:**

During the year under review, no resolution has been passed through the exercise of postal ballot.

6. MEANS OF COMMUNICATION:

The Company recognizes the importance of two way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issue raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

Some of the modes of communication are mentioned below:

- **Quarterly results:**

Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchanges, where the securities of the Company are listed, immediately after the approval of the Board pursuant to the Listing Regulations requirements and are published in the newspapers.

The financial results are also displayed on the Company's website i.e. www.ecoreco.com

- **Newspapers wherein results normally published:**

The quarterly, half yearly and annual results are communicated to all the members of the Company by publishing the same in English and Marathi National dailies i.e Free Press Journal and Navshakti.

- **Any Website, where displayed**

www.ecoreco.com

- **Whether Website also displays official news releases:**

The Company has maintained a functional website www.ecoreco.com containing basic information about the Company e.g. details of its business, Directors and also other details as per the requirements of the Listing Regulations and the Act like financial information, shareholding pattern, codes, compliance

with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.

- **Presentations made to institutional investors or to the analysts:**

No presentations were made to any institutional investors or analysts during the financial year 2018-19.

7. GENERAL SHAREHOLDERS INFORMATION:

I. Details of the Annual General Meeting for the financial year 2018-2019:

- **Date:** 14th August, 2019
- **Day:** Wednesday
- **Time:** 12:00 P.M.
- **Venue:** 422, 4th Floor, The Summit Business Park, Near WEH Metro Station, Andheri – Kurla Road, Andheri (E), Mumbai - 400 093.

The Company shall also provide facility of e-Voting and ballot voting for the ensuing Annual General Meeting of the Company.

II. Financial Year 2019- 2020:

III. Dividend:

During the year, Company has not declared any dividend.

IV. Name and address of stock exchanges at which the Company's securities are listed and confirmation about payment of annual listing fees to each of stock exchanges:

The Company's equity shares are listed on the BSE Ltd. (BSE) - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Company has paid the applicable annual listing fees to BSE.

V. Stock code :

BSE Scrip Code	530643
ISIN Number for NSDL & CDSL	INE316A01038

VI. Market Price Data: High / Low price during each Month of 2018-19 on The Bombay Stock Exchange Limited and BSE Sensex are as under:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty. to Traded Qty.	Spread High-Low	Spread Close-Open
Apr-18	51.40	62.50	49.00	51.00	27689	196	1517358	27689	100	13.50	-0.40
May-18	49.10	54.40	45.20	47.60	36353	107	1755504	36241	99.69	9.20	-1.50
Jun-18	45.25	48.15	34.05	37.00	198057	384	7622744	186178	94	14.10	-8.25
Jul-18	38.00	38.00	29.25	35.00	100528	193	3260234	97666	97.15	8.75	-3.00
Aug-18	34.50	38.00	30.85	34.00	37940	281	1279287	32652	86.06	7.15	-0.50
Sep-18	35.80	43.10	30.15	34.05	31591	210	1166650	27386	86.69	12.95	-1.75
Oct-18	34.00	40.55	32.40	35.00	71807	139	2718549	69955	97.42	8.15	1.00
Nov-18	35.95	38.50	30.10	31.30	152145	163	5583026	148318	97.48	8.40	-4.65
Dec-18	32.00	53.00	30.60	44.90	77321	563	3253539	59046	76.36	22.40	12.90
Jan-19	47.10	57.05	40.85	54.05	112011	423	5514548	112011	100	16.20	6.95
Feb-19	54.05	55.00	38.05	42.00	60372	202	2608916	60372	100	16.95	-12.05
Mar-19	44.10	51.90	40.45	44.45	34376	181	1608434	34376	100	11.45	0.35

VII. In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading.

VIII. Registrar to Issue and Share Transfer Agent :

- Registrar and Share Transfer Agent:

M/s. Bigshare Services Private Limited

Address: Bharat Tin Works Building, First Floor, Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai - 400 059

Tel No.: 91 22 28470652/53

Fax No.: 91 22 28475207

Email: investor@bigshareonline.com

Web: www.bigshareonline.com

- Share Transfer System:**

The Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission, etc. of the securities of the Company to the R & TA. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified under the Listing Regulations and applicable provisions of the Act. The Company has obtained certificates on half yearly basis from the Practicing Company Secretary, certifying due compliance with the formalities of share transfer as required under regulation 40 of the Listing Regulations and submitted a copy of the certificate to the Stock Exchanges where the securities of the Company are listed.

- **Distribution of Shareholding as on March 31, 2019:**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
0001 - 5000	3118	88.23%	4,631,570	2.64%
5001 - 10000	190	5.38%	1,567,680	0.89%
10001 - 20000	87	2.46%	1,256,990	0.72%
20001 - 30000	42	1.19%	1,127,610	0.64%
30001 - 40000	11	0.31%	398,110	0.23%
40001 - 50000	18	0.51%	833,400	0.48%
50001 - 100000	31	0.88%	2,291,760	1.30%
100001 and above	37	1.04%	163,317,880	93.10%
TOTAL	3,534	100%	17,542,500	100%

- **Dematerialization of shares and liquidity:**

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2019, 97.93% of the total Subscribed and Fully Paid-up equity share capital comprising of 1,71,80,078 equity shares of the Company are in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form as per the notification issued by the Securities and Exchange Board of India.

- **Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on Equity:**

Not Applicable as there were no outstanding ADRs or GDRs, Warrants or any Convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:**

Not applicable.

- **Location of Plant:**

Eco House, Near Range office, Bhoidapada, Sativali Road, Vasai (East), Thane.

- **Address of the Company:**

Eco Recycling Limited

422, 4th Floor, The Summit Business Park, Near WEH Metro Station,
Andheri - Kurla Road, Andheri (East), Mumbai-400 093

Tel. No.: +91 22 4005 2951/52/53

Fax No.: 91 -22 40052954

Email: info@ecoreco.com

accounts@ecoreco.com

shareholders@ecoreco.com

Web: www.ecoreco.com

- **Nomination Facility for Shareholding:**

As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.

- **Payment of Dividend through Electronic Clearing Service:**

The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.

- **Correspondence regarding Change in Address:**

Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited, Bharat Tin Works Building, First Floor, Opposite Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai - 400 059, Tel No.: 91 22 28470652/53 Fax No.: 91 22 28475207

Email: investor@bigshareonline.com

- **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the entity involving mobilization of funds, whether in India or abroad.:**

Not Applicable

8. OTHER DISCLOSURE:

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are entered into by the Company are based on business exigencies and are intended to further the Company's interests. The company has formulated a policy on Related Party Transaction and the said policy is uploaded on

website of company. (<http://ecoreco.com/download-policies.aspx>)

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties, strictures have been imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any other statutory authority.

- **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has a Vigil Mechanism cum Whistle Blower Policy in place, details of which have been furnished in the Board's Report. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee.

- **Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:**

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations. Though, the Company does not comply with some of the non-mandatory requirements on date, the Company is committed towards complying with as a whole and will take suitable measures as and when possible. The status of compliance with the non-mandatory requirements of this clause has been detailed below.

- **Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not applicable since the Company has not raised

funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

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

Rs. 250000/-

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

9. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:

The Company has complied with the requirements of corporate governance report of sub paras (2) to (10) of Clause (C) of the Schedule V of the Listing Regulations.

10. ADOPTION OF THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF THE SCHEDULE II OF THE LISTING REGULATIONS:

a) The Board

The Company has an Executive Chairman and hence, the requirement pertaining to reimbursement of expenses to a Non - Executive Chairman does not arise.

b) Shareholder Rights

The Company's quarterly/half-yearly/annual results

are furnished to the Stock Exchanges, also published in the newspapers and also displayed on the website of the Company and therefore results were not separately sent to the Members. Quarterly/half-yearly/annual results of the Company are displayed on the website of the Company at the link <http://ecoreco.com/investor-financial-results.aspx>

c) Modified opinion(s) in audit report

The Company has not received a modified opinion in the Auditors' Report for the financial year 2018-19:

d) Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

11. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The details of the compliance of Regulations 17 to 27 of the Listing Regulations are given in this Corporate Governance Report. Further, the Company has uploaded the documents/details mentioned in the clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations on it's website at www.ecoreco.com

By Order of the Board of Director

B. K. Soni

Chairman & Managing Director

DIN: 01274250

501 Nilgiri, Juhu,

Vileparle (W),

Mumbai - 400 049

13th July, 2019

Mumbai

INDEPENDENT AUDITOR'S REPORT

To
The members of
 Eco Recycling Limited
Report on the Standalone Ind AS
Financial Statements
Auditor's Opinion:

We have audited the accompanying standalone Ind AS financial statements of **M/s Eco Recycling Limited** ("the Company"), which comprises of the Balance Sheet as at March 31st, 2019, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and a summary of the 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 standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31st, 2019 and its financial performance (including other comprehensive income), its cash flows and changes in equity 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 Company in accordance with 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 standalone Ind AS 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 matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matter described in the Emphasis of Matter Paragraph we have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

We draw attention to the following notes in the standalone Ind AS financial statements annexed to the auditor's report

1. Note no 8 to the financial statements, Lease rental deposits. The company has not done any fair valuation of its financial assets and financial liabilities as it believes that the carrying amounts of these financial assets and financial liabilities approximate their fair values and that the impact of change, if any, on account of fair valuation these financial assets and financial liabilities, will be insignificant.
2. Note no 10 to the financial statements, Capital advances. The company has a pending legal dispute with M/s KUD Realtors Pvt. Ltd relating to the transfer of assets

purchased in favour of the company. The company has paid amount of Rs. 2, 10, 95,615 as advance for purchase of the assets. The company is however of the opinion that the dispute will be resolved soon and in its favour.

3. Note No. 17.1 to the financial statements, unsecured borrowings from DSIR.As on the date of this report, the said matter is still pending before the Sole Arbitrator. In the event of uncertainty over the commercialisation of the project and on the outcome of the arbitration proceedings, the grant received from the DSIR is presented in the financial statements as at 31st March 2019, at its original transaction amount.
4. Note No. 12 to the financial statements, Trade receivable. An Amount of Rs. 2,88,03,157/- is outstanding for a period exceeding 12 months and no loss allowance is recognised in the financial statements as at 31st March 2019. Our opinion is based on the representations received from the management that recovery of the same is expected in financial year ending 31st March 2020.

Our opinion is however not qualified in respect of the above matters.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 on 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 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 scepticism 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 entity'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 report. However, future events or conditions may cause the entity to cease to continue as a going concern.

5. 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.

Report on other Legal and Regulatory Requirements:

1. 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 it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive income, the statement of cash flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with relevant rules thereunder;
 - e) On the basis of the written representations received from the directors as on March 31st,

2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note No.36, 37 and 37 A to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contract having material foreseeable losses for which provision was required to be made under the applicable law or the accounting standards.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, we give in "Annexure A" a

statement on the matters specified in paragraphs 3 and 4 of the order.

For Talati and Talati LLP
 Chartered Accountants
 Firm Registration No.: 110758W/
 W100377

Mumbai
 30th May, 2019

Rovin Kothari
 Partner
 Membership No.:
 133326



“ANNEXURE A” TO THE INDEPENDENT AUDITOR'S REPORT

Referred to paragraph 3 of our “Reporting on Other legal and Regulatory Environment” on even date, we report that:

- (i) In respect of fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - As explained to us the fixed assets are being physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
 - As explained to us, the title deeds of immovable properties were held in the name of the company.
- (ii) The inventories are physically verified by the Company at regular intervals and no discrepancies are observed in this aspect.
- (iii) The Company has granted unsecured interest free inter corporate deposits (ICDs) to companies covered in the Register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion company has complied with the provision of section 185 and 186 of the companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under with regard to acceptance of deposits are not applicable to the company. Accordingly, paragraph 3(v) of the Order is not applicable to the company.
- (vi) The cost records are not required to be maintained under section 148(1) of the Companies Act 2013, as prescribed by the Central Government. Accordingly paragraph 3(vi) of the Order is not applicable to the company.
- (vii) In respect of payment of statutory dues:
- According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Service Tax, Cess, Professional Tax and any other statutory dues with the appropriate authorities. However, in FY 2018-19 **M/s Eco Recycling Limited** has defaulted in paying statutory due and the overdue amount as on 31st March, 2019 is as follow.
- | Name of statute | Nature of Dues | Amount in Rs. | Period to which amount relates | Due date | Date of Payment |
|-----------------------|----------------|---------------|--------------------------------|---------------------|-----------------|
| Maharashtra State Tax | Profession Tax | 61,975/- | 2018-19 | End of every month. | - |
- According to the information and explanation given to us, the following income tax dues have not been deposited as on 31st March on account of dispute.
- | Assessment Year | Amount Payable | Nature of Demand | Remarks |
|-----------------|----------------|------------------|-------------------------|
| 2011-2012 | 1,999,460 | Income Tax | Appeal pending with CIT |
| 2012-2013 | 1,263,200 | Income Tax | Appeal pending with CIT |
| 2013-2014 | 434,000 | Income Tax | Appeal pending with CIT |
| 2014-2015 | 250,700 | Income Tax | Appeal pending with CIT |
- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not delayed in the repayment of dues to banks and financial institutions.
- (ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied by the company for the purposes for which they were raised.
- (x) Based on our audit procedures and according to the information and explanations given to us, neither there has been any fraud on the company by its officers or employees, noticed during the year nor have we been informed of such cases by the Management.
- (xi) The company has not paid or provided for any managerial remuneration during the year. Accordingly the requisite approvals for payment of managerial remuneration mandated by Section 197 read with Schedule V of the Companies Act 2013, is not applicable to the company.

- (xii) The Company is not a Nidhi Company and hence paragraph 3(xii) of the Order is not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, the transaction with the related party are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in **Note no. 40** to the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or other persons connected with the directors. Accordingly, the paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **M/s Eco Recycling Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for 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 conducted 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, 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 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 standalone Ind AS 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 the standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the stand alone Ind AS 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 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 respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 Talati and Talati LLP
Chartered Accountants
Firm Registration No.: 110758W/
W100377

Rovin Kothari
Partner
Membership No.:
133326

Mumbai
30th May, 2019





ISO 9001 : 2008
EMS 14001 : 2004
OHSAS 18001 : 2007
ISMS 27001 : 2013



BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note	As At March 31, 2019	As At March 31, 2018
I ASSETS			
(1) Non Current Assets			
[a] Property Plant and Equipment	5	218,118,301	221,797,227
[b] Capital Work in Progress		-	-
[c] Investment Property		-	-
[d] Other Intangible Assets		-	-
[e] Intangible Assets under development		-	-
[f] Investments in subsidiaries, associates and joint ventures	6	8,499,990	8,499,990
[g] Financial Assets			
(i) Investments	7	30,311,181	34,639,024
(ii) Loans	8	46,515,600	46,806,600
(iii) Other financial assets	9	3,789,589	3,789,638
[h] Other non current assets	12	28,803,157	-
[i] Other non current assets	10	23,800,277	2,451,464
Total non-current assets		<u>359,838,095</u>	<u>317,983,943</u>
(2) Current Assets			
[a] Inventories	11	28,734,627	64,673,891
[b] Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	12	36,190,397	44,615,826
(iii) Cash and cash equivalents	13	182,853	1,340,283
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
[c] Other current assets	14	28,090,375	53,277,002
Total current assets		<u>28,090,375</u>	<u>163,907,001</u>
Total assets		<u>453,036,347</u>	<u>481,890,944</u>
II EQUITY AND LIABILITIES			
EQUITY			
[a] Equity Share Capital	15	175,425,000	175,425,000
[b] Instruments entirely equity in nature		-	-
[b] Other Equity	16	79,404,006	74,596,931
Total equity		<u>254,829,006</u>	<u>250,021,931</u>
LIABILITIES			
(1) Non Current Liabilities			
[a] Financial liabilities			
(i) Borrowings	17	147,356,012	153,303,439
(ii) Other financial liabilities		-	-
[b] Provisions	18	747,784	1,773,739
[c] Deferred tax liabilities (Net)	19	13,531,794	21,948,467
[d] Other non current liabilities		-	-
Total non-current liabilities		<u>161,635,590</u>	<u>177,025,645</u>
(2) Current Liabilities			
[a] Financial liabilities			
(i) Borrowings	20	30,055,911	47,527,875
(ii) Trade payables	21	2,023,697	297,555
(iii) Other financial liabilities	22	-	3,067,500
[b] other current liabilities	23	2,969,119	3,950,438
[c] Provisions	24	1,523,023	-
Total current liabilities		<u>36,571,751</u>	<u>54,843,368</u>
Total liabilities		<u>198,207,340</u>	<u>231,869,013</u>
Total equity and liabilities		<u>453,036,347</u>	<u>481,890,944</u>
Notes forming part of financial statements In terms of our report attached			

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326
Mumbai | 30th May, 2019

For and behalf of the Board

B. K. Soni	Aruna Soni
Managing Director	Director
DIN: 01274250	DIN: 01502649

Anita Choudhari
CFO

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
I Revenue from Operations	25	124,398,958	115,155,501
II Other Income	26	4,632,313	26,566,261
III Total Income (I+II)		129,031,271	141,721,763
IV Expenses			
[a] Purchases of Stock in trade	27	25,923,710	74,507,674
[b] Changes in inventories of finished goods, stock in trade and work in progress	28	35,939,463	106,994
[c] Employee benefits expenses	29	11,873,275	11,941,479
[d] Finance costs	30	10,140,489	11,869,605
[e] Depreciation and amortisation	5	4,598,110	3,702,823
[f] Other expenses	31	30,472,002	33,897,562
Total Expenses		118,947,050	136,026,137
V Profit / (Loss) before exceptional items (III - IV)		10,084,221	5,695,626
VI Exceptional Item		-	90,094,400
VII Profit / (Loss) before exceptional items (V -VI)		10,084,221	(84,398,774)
VIII Tax Expense			
[i] Current tax		-	-
[ii] Deferred tax		(3,101,276)	-
Total tax expense		(3,101,276)	-
IX Profit / (Loss) for the year from continuing operations (VII - VIII)		13,185,497	(84,398,774)
X Profit / (Loss) from discontinued Operations		-	-
XI Tax expense from discontinued operation		-	-
XII Profit / (Loss) from discontinuing operations (X -XI)		-	-
XIII Profit / (Loss) for the year (IX + XII)		13,185,497	(84,398,774)
XIV Other Comprehensive Income (OCI)			
[a] Items that will not be re-classified to profit or loss			
(i) Measurement of defined employee benefit plans		135,970	(300,213)
(ii) Changes in fair value of equity instruments carried at fair value through OCI		(13,829,789)	2,911,061
(iii) Changes on account of revaluation of assets		-	61,589,573
[b] Income tax relating to items that will not be re-classified to profit or loss		5,315,397	(18,275,530)
Total comprehensive income (net of tax)		(8,378,422)	45,924,891
XV Total Comprehensive income (XIII + XIV)		4,807,075	(38,473,883)
XVI Earnings per equity share (for continuing operations)			
(1) Basic		0.75	(4.81)
(2) Diluted		0.75	(4.81)
XVII Earnings per equity share (for discontinuing operations)			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share for continuing and discontinuing operations			
(1) Basic		0.75	(4.81)
(2) Diluted		0.75	(4.81)

Notes forming part of financial statements

In terms of our report attached

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326

Mumbai
30th May, 2019

RISE TO RECYCLE!

For and behalf of the Board

B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cash Flow from Operating Activities		
Profit before tax as per Profit and Loss	10,084,221	(84,398,774)
<u>Adjustments for:</u>		
Depreciation and amortisation expenses	4,598,110	3,702,823
Profit on sale of investments	(1,533,883)	(7,017,634)
Dividend income	(152,023)	-
Finance expenses	10,140,489	11,966,181
Sundry balance written back	(2,258,302)	(16,812,907)
Loss on sale of shares / commodities	1,408,928	-
Branding expenses written off	-	65,277,332
inventory written off	-	24,817,068
Miscellaneous expenses written off	-	860,076
	12,203,320	82,792,939
Operating profit before working capital changes	22,287,541	(1,605,835)
<u>Adjustments for:</u>		
(Increase) / Decrease in other non current assets	604,288	-604,288
(Increase) / Decrease in inventories	35,939,264	12,328
(Increase) / Decrease in trade receivables	(20,377,727)	58,326,389
(Increase) / Decrease in other current assets	25,186,626	13,758,276
(Increase) / Decrease in other trade payables	1,726,142	(22,744,285)
(Increase) / Decrease in other current liabilities	1,910,021	(15,510,114)
(Decrease) / Increase in Short Term Provisions	-	(22,861)
(Decrease) / Increase in Long Term Provisions	-	558,533
(Increase) / Decrease in Short term Loans & Advance	-	9,750,000
(Increase) / Decrease in Long term Loans & Advance	-	(34,990,000)
(Increase) / Decrease in Other Non-Current Financial Assets	-	(307,294)
Total Operating profits after working capital changes	67,276,155	6,620,850

For Talati & Talati
Chartered Accountants
 Firm Registration No. 110758W

Rovin Kothari
 Partner
 Membership No.: 133326

Mumbai
 30th May, 2019

For and behalf of the Board

B. K. Soni
 Managing Director
 DIN: 01274250

Aruna Soni
 Director
 DIN: 01502649

Anita Choudhari
 CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Less: Income Taxes Paid (Net of refunds)	857,486	(922,438)
Cash Flows from Operating Activities (Net)	66,418,669	7,543,288
Cash Flow from Investing Activities		
Inflows		
Sale of Investments	(9,376,992)	24,367,273
Non current loans and advances	291,049	-
Sale of Fixed assets	-	1,033,006
Interest Income	-	290,294
Outflows		
Purchase of Fixed assets	(919,184)	-
Capital advances	(21,095,615)	-
Purchase of Non-current investment	-	(24,866,761)
Cash Flows from Investing Activities (Net)	(31,100,741)	823,813
Cash Flow from Financing Activities		
Inflows		
Dividend income	152,023	-
Increase in Long Term borrowings	-	57,830,802
Outflows		
Repayment of borrowings	(26,486,891)	(49,085,003)
Finance costs	(10,140,489)	(14,773,131)
Cash Flows from Financing Activities (Net)	(36,475,358)	(6,027,332)
Increase / (Decrease) in Cash and Cash Equivalents	(1,157,429)	2,339,769
Add: Opening Cash and cash Equivalents	1,340,283	(999,485)
Cash and Cash Equivalents at the end of the Year	182,854	1,340,284

For Talati & Talati
Chartered Accountants
 Firm Registration No. 110758W

Rovin Kothari
 Partner
 Membership No.: 133326

Mumbai
 30th May, 2019

For and behalf of the Board

B. K. Soni
 Managing Director
 DIN: 01274250

Aruna Soni
 Director
 DIN: 01502649

Anita Choudhari
 CFO

STATEMENT OF CHANGES IN EQUITY

Note No. 15 - Equity Share capital

Particulars	2018-2019	2017-2018
Authorised		
30,000,000 (31st March 2018 - 30,000,000) equity shares of Rs.10 each	300,000,000	300,000,000
Issued, Subscribed and Fully paid-up		
17,542,500 (31st March 2018 - 17,542,500) equity shares of Rs.10 each	175,425,000	175,425,000

Reconciliation of number of shares				
	2018-2019		2017-2018	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Balance as at the beginning of the year	17,542,500	175,425,000	17,542,500	175,425,000
Issued during the year	-	-	-	-
Balance as at the end of the year	17,542,500	175,425,000	17,542,500	175,425,000

Note No. 16 - Other Equity

(RS in lacs)

Particulars	Reserves and Surplus				Items of OCI				Total
	Capital Reserves	Securities premium reserves	General Reserves	Retained Earnings	Equity instruments through OCI	Revaluation of Fixed Asstes	Remeasurements of employee benefits expense	Other OCI Items	
Balance as on April 01, 2017	35,115,495	98,400,000	157,130	(8,026,706)	(11,832,175)	-	-	(742,929)	113,070,815
Profit for the year	-	-	-	(84,398,774)	-	-	-	-	(84,398,774)
Other comprehensive income (net of tax)	-	-	-	-	2,911,061	61,589,573	(300,213)	(18,275,530)	45,924,891
Total comprehensive income for the year	35,115,495	-	-	-	-	-	-	-	-
Dividends including tax on dividend	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2018	35,115,495	98,400,000	157,130	(92,425,480)	(8,921,114)	61,589,573	(300,213)	(19,018,459)	74,596,932
Profit for the year	-	-	-	13,185,497	-	-	-	-	13,185,497
Other comprehensive income (net of tax)	-	-	-	-	(13,829,789)	-	135,970	5,315,397	(8,378,422)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-
Dividends including tax on dividend	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2019	35,115,495	98,400,000	157,130	(79,239,982)	(22,750,903)	61,589,573	(164,243)	(13,703,062)	79,404,007

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

1 Corporate Information

The Company was incorporated on August 01, 1994 having CIN No. L74120MH1994PLC079971, at Mumbai under the Companies Act, 1956. The Company is engaged in the e-waste recycling business in an organised manner, with the help of superior technology, complying norms set by the Pollution Control Board for the environmental safety.

2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

i. Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The Financial Statements are presented in INR and all values are rounded off to the nearest lakhs (INR 00,000), unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Defined Benefit Plans - Plan assets measured at fair value.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in

normal operating cycle

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. Operating Segment

As the Company is operating only in one business segment i.e. operation of e-waste recycling business in organised manner, the requirement to give segment reporting as per Ind-AS Accounting Standard 108 on Operating Segment issued by the Institute of Chartered Accountants is not applicable.

Use of Accounting Estimates

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of incomes and expenses for the periods presented.

Fair value measurement

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of significant assets, such as property, plant & equipment.

This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

c. Revenue recognition

The Company derives revenues primarily from purchase of e-waste Scraps, seggregates and accordingly sell it to the concerned customers.

The Company also provides Data Destruction Services as a part of the services. The Company also receives minor income from Share trading, Membership Fees and Interest Income apart from above key goods and services rendered.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. As the nature of the business, The Company does not have a policy of Sales Return and hence, does not have any accountability for products to be returned or defective services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied. Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

d. Income Taxes:

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are

recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are

recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

e. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal Company as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Company is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Company), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to be highly probable when:

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal Company are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area

of operations,

- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations Or
 - Is a subsidiary acquired exclusively with a view to resale
- Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

f. Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during

the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and Residual Value

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

Asset Class	Useful life
Plant & Equipment	15 years
Furniture & fixtures	10 years
Office equipment	5 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

g. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition,

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

h. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i. Provisions and Contingent Liability

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present

Value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

j. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

k. Employee Benefits

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Superannuation, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or

asset. The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal

and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

I. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

m. 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.

n. Financial assets

Initial recognition and measurement

All financial assets are recognised 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.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

o. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised 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.

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

impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

p. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the

Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 following financial assets and credit risk exposure:

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such

that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other

credit enhancements that are integral to the contractual terms As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

q. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings,

payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

r. Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

t. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of work in progress and finished goods comprise of purchase cost, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined using the weighted average basis.

Net realisable is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

u. Finance Cost

Finance cost includes interest expense on borrowings calculated using the effective interest rate (EIR) method.

The entity capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. All other borrowing costs is recognised as an expense in the period in which incurred.

Recent Accounting Pronouncement

On 30th March 2019, the Ministry of

Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating

the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial Statements.



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 5: Property Plant and Equipment and Capital Work in Progress

I Property Plant and Equipment								(Rs in Lacs)
Particulars		Facility land & Building	Plant and Machinery	Furniture and fixtures	Computers	Vehicles	Office Equipments	Total
A	Gross Block							
	Deemed costs as at April 01, 2017	33,647,167	43,877,624	4,177,533	2,789,343	11,371,939	1,721,490	97,585,096
	Additions	10,977,753	136,766,972	-	-	-	-	147,744,725
	Disposals / adjustments	-	1,372,009	-	-	-	-	1,372,009
	As At March 31, 2018	44,624,920	179,272,587	4,177,533	2,789,343	11,371,939	1,721,490	243,957,811
	Additions	-	-	-	-	919,184	-	919,184
	Disposals / adjustments	-	-	-	-	-	-	-
	As At March 31, 2019	44,624,920	179,272,587	4,177,533	2,789,343	12,291,123	1,721,490	244,876,995
B	Accumulated depreciation							
	As at April 01, 2017	-	9,874,625	584,989	2,765,373	4,649,123	922,655	18,796,765
	Depreciation for the year	-	1,916,740	447,828	12,893	1,178,140	147,219	3,702,820
	Disposals / adjustments	-	396,489	-	-	-	(57,489)	339,001
	As At March 31, 2018	-	11,394,876	1,032,817	2,778,266	5,827,263	1,127,363	22,160,584
	Depreciation for the year	-	2,857,613	242,813	-	1,317,825	179,858	4,598,110
	Disposals / adjustments	-	-	-	-	-	-	-
	As At March 31, 2019	-	14,252,489	1,275,630	2,778,266	7,145,088	1,307,221	4,598,110
B	Net Block							
	As at March 31, 2018	44,624,920	167,877,711	3,144,716	11,077	5,544,676	594,128	221,797,227
	As at March 31, 2019	44,624,920	165,020,098	2,901,903	11,077	5,146,035	414,269	218,118,301



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 6 & 7: Investments	Face Value	As At March 31,2019		As At March 31,2018	
	Rs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
I In Equity shares					
[1] In Wholly Owned Subsidiaries at Cost					
Unquoted					
(a) Ecoreco Enviro Education Private limited	10	849,999	8,499,990	849,999	8,499,990
[2] In equity instruments at Fair value through Other Comprehensive Income					
Quoted				200	222
Aditya Birla Chemicals (India) Ltd	10	-	-	2,000	190,900
Gujarat Intrux Limited	10	-	-	1,000	62,950
Hindustan Copper Limited	10	2,000.00	97,900.00	1,500	200,250
Jai Corp Limited	10	3,000.00	346,350.00	1,000	101,750
Jeypore Sugar Company Limited	10	-	-	500	166,875
Mazda Limited	10	-	-	8,150	116,268
M B Parikh Limited	10	-	-	6,000	107,687
NEPC Limited	10	-	-	2,000	217,300
Prism Cement Limited	10	-	-	3,000	286,350
Punjab National Bank	10	4,000.00	381,600.00	425,000	1,551,250
Ruchi Infrastructure Limited	10	425,000.00	1,235,400.00	85,000	1,347,250
Ruchi Soya Industries Limited	10	421,198.00	2,863,154.72	500	32,175
Shipping Corporation of India Limited	10	-	-	10,000	179,500
Sintex Industries Limited	10	20,000.00	169,400.00	1,000	125,150
Spicejet Limited	10	2,000.00	195,500.00	20,000	108,000
Stresscrete Limited	10	20,000.00	110,000.00	230,000	1,764,100
Subex Limited	10	230,000	1,327,100.00	15,901,301	11,320,009
Tata Teleservices (Mah) Limited	10	3,500,000.00	10,745,000.00	268,945	11,914,264
Upsurge Investment & Finance Limited	10	-	-	40,000	2,080,000
Zenlab Ethica Limited	10	-	-	1,000	166,150
Zodiac Clothing Limited	10	-	-	-	-
Bharat Heavy Electricals Limited	10	20,000.00	1,496,876.32	-	-
IDFC First Bank Limited	10	10,000.00	552,000.00	-	-
NMDC Limited	10	4,000.00	416,600.00	-	-
Reliance Communications Limited	10	1,000,000.00	4,140,000.00	-	-
Reliance Power Limited	10	200,000.00	2,272,000.00	-	-
Vakrangee Limited	10	10,000.00	503,500.00	-	-
Zenlab Ethica Limited	10	11,000.00	634,150.00	-	-
Zodiac Clothing Limited	10	1,000.00	224,650.00	-	-
Total (Quoted)			27,711,181		32,038,399
Unquoted					
DNS Bank Limited	10	10,000	100,000	10,000	100,000
Shamrao Vithal Coop bank	10	-	-	625	625
Total (Unquoted)			100,000		100,625
Total investment in equity shares			36,311,171		40,639,014

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 6 & 7: Investments	Face Value	As At March 31, 2019		As At March 31, 2018	
	Rs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
II In Preference shares (fully paid up)					
[1] In preference shares at Fair Value through profit and loss					
Unquoted					
(a) MGI Investments	10	10,000	2,500,000	10,000	2,500,000
Total investment in preference shares			2,500,000		2,500,000
Total investments (I+II)			38,811,171		43,139,014

Note [8]: Loans (Unsecured, Considered good)

Particulars	As At March 31, 2019	As At March 31, 2018
Lease rental deposits	46,500,000	46,500,000
Other security deposits	15,600	306,600
Total	46,515,600	46,806,600

Note 9: Other Non Current Financial Assets (Unsecured, Considered good)

Particulars	As At March 31, 2019	As At March 31, 2018
Margin Money deposits with bank	3,789,589	3,789,638
Total	3,789,589	3,789,638

Note 10: Other Non-Current Assets

Particulars	As At March 31, 2019	As At March 31, 2018
Capital advances	21,095,615	-
Payment of taxes	1,204,662	1,847,176
GST Credit	-	604,288
MAT Credit Entitlement	1,500,000	-
Total	23,800,277	2,451,464

Note 11: Inventories

Particulars	As At March 31, 2019	As At March 31, 2018
Inventories	28,734,627	64,673,891
Total	28,734,627	64,673,891

Note 12: Trade Receivables

Particulars	As At March 31, 2019	As At March 31, 2018
Trade Receivables	43,875,842	44,615,826
Receivables from related parties	21,117,711	-
Total	64,993,553	44,615,826
Current portion (Unsecured, considered good)	36,190,397	44,615,826
Non-Current portion (Unsecured, considered good)	28,803,157	-
Total	64,993,553	44,615,826

The Company is confident of recovering entire amount and hence no provision for doubtful trade receivable has been created.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 13: Cash & Cash Equivalents

Particulars	As At March 31, 2019	As At March 31, 2018
Cash on Hand	29,112	1,404
Balances in Banks - Current Accounts	153,741	1,338,879
Total	182,853	1,340,283

Note 14: Other Current Assets

Particulars	As At March 31, 2019	As At March 31, 2018
Deposits including EMD	22,853,202	1,001,350
Advance for expenses	-	25,616,780
Prepaid expenses	542,447	897,617
Advance to vendor	1,906,170	4,281,479
Advance to employee	60,500	114,106
Other advances	2,728,056	21,365,670
Miscellaneous expenditure	-	-
Total	28,090,375	53,277,002

Note 17: Non-Current Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
SECURED		
Secured Borrowings from financial institution (Refer note 17.2 below)	57,356,012	63,303,439
UNSECURED		
From DSIR (Refer note 17.1 below)	90,000,000	90,000,000
Total	147,356,012	153,303,439

17.1: The Company was granted funds of Rs. 900 lacs by DSIR for a project of "E-waste Recycling and Precious Metal Recovery" and this grant is repayable on successful completion of the technology development, demonstration and finally commercialization. The Company has successfully developed technology but demonstration & commercialization could not happen so far because of some external reasons and the same has been acknowledged by the DSIR in its letter dated 14th Feb, 2014.

Since the original terms of the disbursement of the loan by DSIR is that of repayment of grant by the company will commence only on the successful commercialisation of the technology but in the meantime, DSIR preferred to invoke Arbitration Clause for the repayment of the grant amount irrespective of their own admission vide above letter of pending technology commercialisation, the matter is now before a sole Arbitrator and the first hearing was held on 24th & 25th May, 2019 in New Delhi.

17.2: Secured loan from financial institution is a term loan, which is repayable in total 187 installments bearing an interest rate of 10.80%

Note 18: Non-Current Provisions

Particulars	As At March 31, 2019	As At March 31, 2018
Provision for Gratuity and leave salary	2,270,807	1,773,739
Total	2,270,807	1,773,739

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 19: Deferred Tax

Particulars	As At March 31, 2019	As At March 31, 2018
Deferred Tax Asset / (Liability)	(13,531,794)	(21,948,467)
Total	(13,531,794)	(21,948,467)

Note 20: Current Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
Secured Borrowings from financial institutions	24,462,281	22,967,431
Loans from related parties	-	19,371,814
Loans from others	5,593,630	5,188,630
Total	30,055,911	47,527,875

Note 21: Other Trade Payables

Particulars	As At March 31, 2019	As At March 31, 2018
Other Trade Payable	2,023,697	297,555
Dues to Micro & Small Enterprises	-	-
Total	2,023,697	297,555

Note 22: Other Current Financial Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
Current Maturities of long term rupee loan	-	3,067,500
Total	-	3,067,500

*There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act 2013 at the year end.

Note 23: Other Current Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
Creditors for Expenses	-	2,389,487
Advance from customers	143,666	-
Statutory Dues*	2,825,453	1,560,951
Other Payable	-	-
Total	2,969,119	3,950,438

Note 24: Current Provisions

Particulars	As At March 31, 2019	As At March 31, 2018
Provision for Gratuity & leave salary	1,523,023	-
Total	1,523,023	-

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 25: Revenue from Operations

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Sale of Stock in Trade		
Electrical & Electronic Equipment	105,094,493	104,727,190
Sale of Services		
Data Destruction Charges	19,304,465	10,428,311
Total	124,398,958	115,155,501

Note 26: Other Income

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Interest Income on Bank Deposits	-	290,294
Dividend	152,023	-
Profit/(Loss) on sale of shares held as investment	1,533,883	7,017,634
Membership Fees	485,000	200,000
Sundry Balance written back and written off	2,258,302	17,228,855
Other Income	203,105	1,829,479
Total	4,632,313	26,566,261

Note 27: Purchases of Stock in Trade

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Purchases of Electrical & Electronic Equipment	25,923,710	74,507,674
Total	25,923,710	74,507,674

Note 28: Changes in Inventories of Stock in Trade

Particulars	2018-2019	2017-2018
Inventories at the end of Year	28,734,627	89,490,959
Inventories at the beginning of Year	64,674,089	89,597,952
Total	35,939,463	106,994

Note 29: Employee Benefits Expenses

Particulars	2018-2019	2017-2018
Salaries, Bonus and other allowances	10,713,435	11,579,481
Contribution in Provident & Other Funds	863,365	361,998
Employee Welfare Expenses	296,475	-
Total	11,873,275	11,941,479

Note 30: Finance Costs

Particulars	2018-2019	2017-2018
Interest Expenses		
On Loans from Financial Institution	9,840,737	10,130,008
Other Interest Cost and Processing Fees	299,753	1,739,597
Total	10,140,489	11,869,605

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 31: Other Expenses

Particulars	2018-2019	2017-2018
Lease Rent	7,840,083	9,381,837
Freight & Transportation	2,071,091	2,420,533
Travelling & Conveyance	5,166,699	2,363,558
Legal & Professional Fees	4,677,560	1,172,900
Labour Charges	5,200	62,380
Advertisement Expenses	3,304,826	1,618,544
Insurance Expenses	775,850	767,441
Printing & Stationery	245,845	231,477
Repairs & Maintenance	69,616	89,750
Electricity Charges	355,250	412,937
Security Charges	912,264	755,992
Auditor's Remuneration	259,000	250,000
Annual Listing Fees, Registrar & Agent Expenses	367,518	401,898
Loss on Sale of Shares	1,408,928	-
Other Expenses	3,012,272	13,108,238
Miscellaneous Expenditure w/off		860,076
Total	30,472,002	33,897,562

Note 32: Disclosure in Respect of Leases:

Operating Lease: Company as Lessee

The Company's leasing arrangements are in respect of operating leases for factory, office premises and guest house occupied by the Company. These leasing arrangements are cancellable except during the lock in period, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a) The total of future minimum lease payments during lock in period of operating leases for each of the following periods:

Particulars	2018-2019	2017-2018
i) Not later than one year	8,057,688	7,857,576
ii) Later than one year and not later than five years	-	15,057,576
b) Lease payments recognized in the Statement of Profit and Loss for the period.	7,840,083	9,381,837

Note 33: Contingent Liabilities

Particulars	2018-2019	2017-2018
Guarantee given by Bank on behalf of the Company Secured against equal fixed deposits		
Standing Bank Guarantee in favour of The Customs, JNPT	1,810,000	1,810,000
Custom Duty on Imported Machineries cannot be sold or transferred to any person or other organisation for a period of 5 years from the date of its import	-	12,400,000
Corporate Guarantee to National Skills development Corporation on behalf of its 100% subsidiary Ecoreco Enviro Education Pvt. Ltd.	125,993,806	125,993,806

Note 34: Payment to Auditors

Particulars	2018-2019	2017-2018
Audit Fees	200,000	200,000
Tax Audit Fees	50,000	50,000
Total	250,000	250,000

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 35: Earnings in Foreign Currency

Particulars	2018-19	2017-18
Service Charges	9,086,687	3,449,829
Total	9,086,687	3,449,829

Note 36: The Company had been dealing with Keynote Capital Limited (Keynote) for its Share transactions. A substantial portion i.e 20,56,234 Nos. of shares amounting to ₹4,48,55,092/- out of the investment portfolio maintained by the company in demat form with Keynote has been misappropriated by the Keynote against the loss booked by Keynote on account of transactions in the F&O Segment carried out by Keynote on its own without any authorisation of the company. In this matter Company has won both the appeals of Arbitration Committee of The National Stock Exchange. The above orders were challenged in the Bombay High Court by Keynote Capital Limited and the same is still pending.

Note 37: The Company had entered in to an agreement with KUD Realtors Pvt. Ltd, Mumbai for purchase of 10 acres of land for a consideration of Rs. 650 lacs for setting up its e-waste recycling project at Kharbao, Bhiwandi and paid Rs.615 lacs against the above. As of now, M/s KUD Realtors Pvt Ltd, could convey 5.78 acres of land in favor of the company and for the remaining amount they have offered some warehouses and incomplete construction at the same site. All the above land, warehouses and incomplete building are yet to be physically received because of incomplete documents for which the company has taken appropriate steps with the concerned authorities.

Note 37A: Disputed Income Tax Liability as on 31st March, 2019 Rs. 39,47,360/- for which appeals are pending before the appellate authority.

Note 38: Balances of some of the trade receivables, trade payables and creditor of expenses, loans and advances (given and taken) and loans, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management, however is of the view that there will be no material adjustments in this regards.

Note 39: The company is in the business of E-waste and Asset Management.

Note 40: Related Party Transactions

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below "

i) Relationships :

(a) Holding Company :-

Ecoreco Ventures Private Limited

(c) Subsidiary(100%):-

Ecoreco Enviro Education Pvt Ltd

(b) Associates:-

Reverse Logistics & Warehousing Private Limited

Ecoreco Park Private Limited

Eco Remarketing Pvt Ltd

Data De-End Private Limited

Reverse E-Commerce Private Limited

EPR Compliance Private Limited

(e) Key Management Personnel :-

Mr. Brijkishor Soni - C.M.D.

Mrs. Aruna Soni - Director

Mr. Srikrishna B. - Director (Ceased w.e.f. 01/04/2019)

Mr.Shashank Soni - Director

Mr. Vijay Acharya - Director (Resigned w.e.f. 10/10/2018)

Mr. Dilip Boralkar - Director (Appointed w.e.f. 26/12/2018)

Mr. Dattatraya Devale - Director

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

ii) Transaction With Related Parties :-

(Amount in Rs.)

Particulars	Key management personnel	Holding/ Subsidiary	Associates
Remuneration	3,000,000	-	-
Previous Year	3,000,000	-	-
Salary	3,271,595	-	-
Previous Year	1,979,600	-	-
Sitting Fees	120,000	-	-
Previous Year	50,000	-	-
Rent	2,400,000	-	-
Previous Year	4,150,636	-	-
Advance Salary Paid	2,196,746	-	-
Previous Year	-	-	-
Deposit Paid	-	-	-
Previous Year	30,000,000	-	-
Loan Repaid	-	41,768,475	-
Previous Year	-	7,777,547	-
Loan Taken	-	17,500,000	-
Previous Year	-	-	-
Expenses on behalf of Subsidiary	-	242,561	-
Previous Year	-	1,476,120	-
Sales	-	-	59,745,712
Previous Year	-	-	-
Direct Expenses (Data Destruction charges)	-	-	3,170,879
Previous Year	-	-	-
Closing Balance at the Year End			
Loan Taken	-	-	-
Previous Year	-	19,371,814	-
Deposit Given	45,000,000	-	-
Previous Year	45,000,000	-	-
Advance Salary Paid	2,196,746	-	-
Previous Year	-	-	-
Advance Rent Paid	526,610	-	-
Previous Year	-	-	-
Trade Receivables	-	-	21,117,711
Previous Year	-	-	-
Advance received from Debtors	-	-	138,034
Previous Year	-	-	-

NOTE: Related party relationship is as identified by the company and relied upon by the Auditors

Note 41: Earnings Per Share

		Units	2018-2019	2017-2018
i)	Profit after tax	Rs.	13,185,497	(84,398,774)
ii)	Weighted average number of equity shares outstanding	Nos.	17,542,500	17,542,500
iii)	Basic Earnings Per Share	Rs.	0.75	(4.81)
iv)	Diluted Earning Per Share	Rs.	0.75	(4.81)
v)	Face Value of Shares	Rs.	10.00	10.00

Note 42: Financial Risk Management

Financial risk management objectives and policies:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. The Board in its meetings assesses and discusses these risks from time to time and takes necessary action. The Company's exposure is small, hence no treasury department and policies have been made in this regards. If and when required in the future, adequate measures will be taken and apt policies and department will be formed accordingly.

Credit risk

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend and the business environment in which the entity operates. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Note 43: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Signature to Notes 1 to 43

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326

Mumbai
30th May, 2019

For and behalf of the Board

B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO

Registered & Authorised By



INDEPENDENT AUDITOR'S REPORT

To
The members of
Eco Recycling Limited
Report on the Consolidated Ind AS
Financial Statements

We have audited the accompanying consolidated financial statements of **M/s Eco Recycling Limited** ("the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprises of the Consolidated Balance Sheet as at March 31st, 2019, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the 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 and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group and its associates and joint ventures as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matter described in the Emphasis of Matter Paragraph we have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

We draw attention to the following notes in the consolidated Ind AS financial statements annexed to the auditor's report

- 1 Note no 8 to the financial statements, Lease rental deposits. The company has not done any fair valuation of its financial assets and financial

liabilities as it believes that the carrying amounts of these financial assets and financial liabilities approximate their fair values and that the impact of change, if any, on account of fair valuation these financial assets and financial liabilities, will be insignificant.

2. Note no 10 to the financial statements, Capital advances. The company has a pending legal dispute with M/s KUD Realtors Pvt. Ltd relating to the transfer of assets purchased in favour of the company. The company has paid amount of Rs. 2, 10, 95,615 as advance for purchase of the assets. The company is however of the opinion that the dispute will be resolved in its favour soon.
3. Note No 17.1 to the financial statements, unsecured borrowings from DSIR. As on the date of this report, the said matter is still pending before the Sole Arbitrator. In the event of uncertainty over the commercialisation of the project and on the outcome of the arbitration proceedings, the grant received from the DSIR is presented in the financial statements as at 31st March 2019, at its original transaction amount.
4. Note No. 12 to the financial statements, Trade receivable. An Amount of Rs. 2,88,03,157/- is outstanding for a period exceeding 12 months and no loss allowance is recognised in the financial statements as at 31st March 2019. Our opinion is based on the representations received from the management that recovery of the same is expected in financial year ending 31st March 2020.

Our opinion is however not qualified in respect of the above matters.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS 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 consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring

accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements:

Our objectives are to obtain reasonable assurance on 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 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 scepticism 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures

made by management.

4. 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 entity'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statement;

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under section 133 of the Act read with relevant rules there under;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements. Refer Note No. 36, 37 and 37A to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contract having material foreseeable losses for which provision was required to be made under the applicable law or the Ind AS.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Talati and Talati LLP

Chartered Accountants

Firm Registration No.: 110758W/
W100377

Rovin Kothari

Mumbai

Partner

30th May, 2019

Membership No.:
133326

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ECO RECYCLING LIMITED

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

We have audited the internal financial controls over financial reporting (IFCoFR) of **M/s Eco Recycling Limited** (the 'Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred as the 'Group'), as of March 31, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The respective Board of Directors of the Holding Company and its subsidiary company ("The Group") are responsible for establishing and maintaining internal financial controls based on, the internal control over financial reporting criteria established by the Group 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 Group'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 Group's internal financial controls over Financial reporting based on our audit conducted 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, 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 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 consolidated Ind AS 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 Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Group'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 the consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies 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 Consolidated Ind AS 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 deducted. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to 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

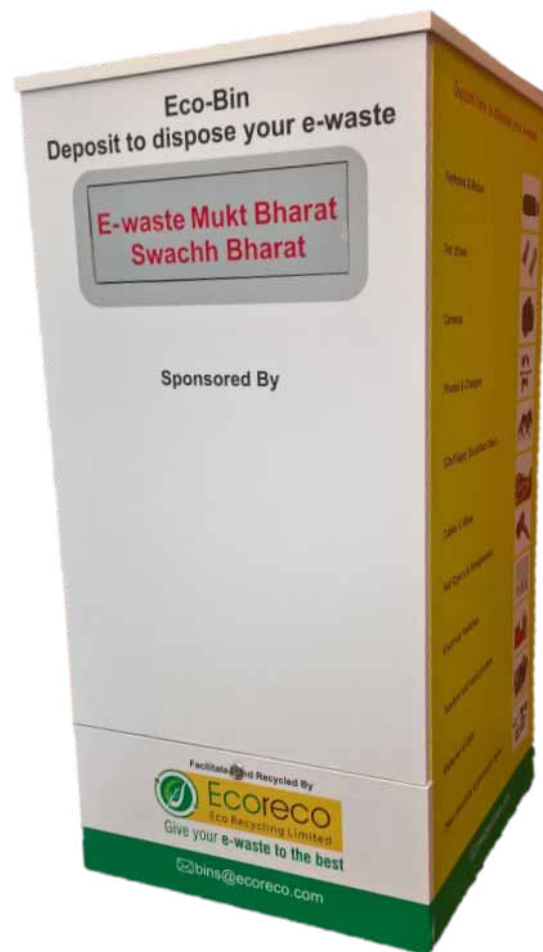
In our opinion, the Holding Company and its subsidiary ("The Group") has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Group 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 **Talati and Talati**
 Chartered Accountants

Firm Registration No.: 110758W / W100377

Rovin Kothari
 Partner
 M. No.: 133326

Mumbai
 30th May, 2019



Certified By



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note	As At March 31, 2019	As At March 31, 2018
I ASSETS			
(1) Non Current Assets			
[a] Property Plant and Equipment	5	218,794,886	222,289,507
[b] Capital Work in Progress		-	-
[c] Investment Property		-	-
[d] Other Intangible assets		-	-
[e] Intangible assets under development		-	-
[f] Investments in subsidiaries, associates and joint ventures	6	-	-
[g] Financial Assets			
(i) Investments	7	30,311,181	34,639,024
(ii) Loans	8	46,515,600	46,806,600
(iii) Other financial assets	9	3,789,589	3,789,638
(iv) Trade receivables	12	28,803,157	-
[h] Other non current assets	10	23,800,277	2,451,464
Total non-current assets		<u>352,014,690</u>	<u>309,976,233</u>
(2) Current Assets			
[a] Inventories	11	28,734,627	64,673,891
[b] Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	12	36,190,397	44,615,826
(iii) Cash and cash equivalents	13	17,500,855	1,403,866
(iv) Bank balances other than (iii) above		-	-
(v) Loans	14	-	19,371,814
[c] Other current assets	15	28,116,053	53,626,252
Total current assets		<u>110,541,932</u>	<u>183,691,648</u>
Total assets		<u>462,556,622</u>	<u>493,667,882</u>
II EQUITY AND LIABILITIES			
EQUITY			
[a] Equity Share Capital	15	175,425,010	175,425,010
[b] Instruments entirely equity in nature		-	-
[b] Other Equity	16	63,572,116	60,951,508
Total equity		<u>238,997,126</u>	<u>236,376,518</u>
LIABILITIES			
(1) Non Current Liabilities			
[a] Financial liabilities			
(i) Borrowings	17	172,320,151	178,267,578
(ii) Other financial liabilities		-	-
[b] Provisions	18	747,784	1,773,739
[c] Deferred tax liabilities (Net)	19	13,531,794	21,948,467
[d] Other non current liabilities		-	-
Total non-current liabilities		<u>186,599,729</u>	<u>201,989,784</u>
(2) Current Liabilities			
[a] Financial liabilities			
(i) Borrowings	20	30,055,911	47,527,875
(ii) Trade payables	21	2,023,697	297,555
(iii) Other financial liabilities	22	-	3,067,500
[b] other current liabilities	23	3,357,135	4,408,650
[c] Provisions	24	1,523,023	-
Total current liabilities		<u>36,959,767</u>	<u>55,301,580</u>
Total liabilities		<u>223,559,495</u>	<u>257,291,364</u>
Total equity and liabilities		<u>462,556,622</u>	<u>493,667,882</u>
Notes forming part of financial statements In terms of our report attached			

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326
Mumbai | 30th May, 2019

For and behalf of the Board
B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
I Revenue from Operations	25	124,398,958	115,155,501
II Other Income	26	4,554,313	26,566,261
III Total Income (I+II)		128,953,271	141,721,763
IV Expenses			
[a] Purchases of Stock in trade	27	25,923,710	74,507,674
[b] Changes in inventories of finished goods, stock in trade and work in progress	28	35,939,463	106,994
[c] Employee benefits expenses	29	13,779,527	13,917,413
[d] Finance costs	30	10,140,489	11,869,605
[e] Depreciation and amortisation	5	4,730,055	3,803,140
[f] Other expenses	31	30,542,271	35,804,083
Total Expenses		121,055,516	140,008,909
V Profit / (Loss) before exceptional items (III - IV)		7,897,755	1,712,854
VI Exceptional Item		-	90,094,400
VII Profit / (Loss) before exceptional items (V -VI)		7,897,755	(88,381,546)
VIII Tax Expense			
[i] Current tax		-	-
[ii] Deferred tax		(3,101,276)	-
Total tax expense		(3,101,276)	-
IX Profit / (Loss) for the year from continuing operations (VII - VIII)		10,999,031	(88,381,546)
X Profit / (Loss) from discontinued Operations		-	-
XI Tax expense from discontinued operation		-	-
XII Profit / (Loss) from discontinuing operations (X -XI)		-	-
XIII Profit / (Loss) for the year (IX + XII)		10,999,031	(88,381,546)
XIV Other Comprehensive Income (OCI)			
[a] Items that will not be re-classified to profit or loss			
(i) Measurement of defined employee benefit plans		135,970	(300,213)
(ii) Changes in fair value of equity instruments carried at fair value through OCI		(13,829,789)	2,911,061
(iii) Changes on account of revaluation of assets		5,315,397	61,589,573
[b] Income tax relating to items that will not be re-classified to profit or loss		-	(18,275,530)
Total comprehensive income (net of tax)		(8,378,422)	45,924,891
XV Total Comprehensive income (XIII + XIV)		2,620,609	(42,456,655)
XVI Earnings per equity share (for continuing operations)			
(1) Basic		0.63	(5.04)
(2) Diluted		0.63	(5.04)
XVII Earnings per equity share (for discontinuing operations)			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share for continuing and discontinuing operations			
(1) Basic		0.63	(5.04)
(2) Diluted		0.63	(5.04)
Notes forming part of financial statements			
In terms of our report attached			

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326

Mumbai
30th May, 2019

RISE TO RECYCLE!

For and behalf of the Board

B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Cash Flow from Operating Activities		
Profit before tax as per Profit and Loss	7,897,755	(86,741,426)
<u>Adjustments for:</u>		
Depreciation and amortisation expenses	4,730,055	3,803,143
Profit on sale of investments	(1,533,883)	(7,017,634)
Dividend income	(152,023)	-
Finance expenses	10,140,489	11,981,865
Sundry balance written back	(2,258,302)	(6,812,907)
Loss on sale of shares / commodities	1,408,928	-
Branding expenses written off	-	65,277,332
inventory written off	-	24,817,068
Miscellaneous expenses written off	-	860,076
	12,335,265	82,908,943
Operating profit before working capital changes	20,233,020	(3,832,483)
<u>Adjustments for:</u>		
(Increase) / Decrease in other non current assets	604,288	(604,288)
(Increase) / Decrease in inventories	35,939,264	12,328
(Increase) / Decrease in trade receivables	(20,377,727)	58,326,389
(Increase) / Decrease in other current assets	25,510,198	13,758,276
(Increase) / Decrease in other trade payables	1,726,142	22,744,285
(Increase) / Decrease in other current liabilities	1,839,825	(11,570,999)
(Decrease)/Increase in Short Term Provisions	-	(22,861)
(Decrease)/Increase in Long Term Provisions	-	558,533
(Increase)/ Decrease in Short term Loans & Advance	19,371,814	9,750,000
(Increase)/ Decrease in Long term Loans & Advance	-	(34,990,000)
(Increase)/ Decrease in Other Non-Current Financial Assets	-	(307,294)
Total Operating profits after working capital changes	84,846,824	8,333,317

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Less: Income Taxes Paid (Net of refunds)	857,486	(922,438)
Cash Flows from Operating Activities (Net)	83,989,338	9,255,755
Cash Flow from Investing Activities		
Inflows		
Sale of investments	(9,376,992)	20,722,039
Non current loans and advances	291,049	-
Sale of Fixed assets	-	1,033,006
Interest Income	-	290,294
Outflows		
Purchase of Fixed assets	(919,184)	-
Content Development	(316,250)	-
Capital advances	(21,095,615)	-
Purchase of Non-current investment	-	(24,866,761)
Cash Flows from Investing Activities (Net)	(31,416,991)	(2,821,421)
Cash Flow from Financing Activities		
Inflows		
Dividend income	152,023	-
Increase in Long Term borrowings	-	57,830,802
Outflows		
Repayment of borrowings	(26,486,891)	(49,085,003)
Finance costs	(10,140,489)	(14,788,815)
Cash Flows from Financing Activities (Net)	(36,475,358)	(6,043,016)
Increase / (Decrease) in Cash and Cash Equivalents	16,096,990	391,318
Add: Opening Cash and cash Equivalents	1,403,866	1,012,548
Cash and Cash Equivalents at the end of the Year	17,500,856	1,403,866

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326

Mumbai
30th May, 2019

For and behalf of the Board

B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A Particulars	2018-2019	2017-2018
Authorised		
30,000,000 (31st March 2018 - 30,000,000) equity shares of Rs.10 each	300,000,000	300,000,000
Issued, Subscribed and Fully paid-up		
17,542,500 (31st March 2018 - 17,542,500) equity shares of Rs.10 each	175,425,000	175,425,000

Reconciliation of number of shares	2018-2019		2017-2018	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Balance as at the beginning of the year	17,542,500	175,425,000	17,542,500	175,425,000
Issued during the year	-	-	-	-
Balance as at the end of the year	17,542,500	175,425,000	17,542,500	175,425,000

B Other Equity	(RS in lacs)										
Particulars	Reserves and Surplus				Items of OCI				Total	EEEPL Total	Consolidated Total
	Capital Reserves	Securities premium reserves	General Reserves	Retained Earnings	Equity instruments through OCI	Revaluation of Fixed Asstes	Remeasurements of employee benefits expense	Other OCI Items			
Balance as on March 31, 2018	35,115,495	98,400,000	157,130	(92,425,480)	(8,921,114)	42,571,114	(300,213)	-	74,596,932	(13645423)	60,951,509
Profit for the year				13,185,497					13,185,497	(2186466)	10,999,031
Other comprehensive income (net of tax)					(13,829,789)	5,315,397	135,970	-	(8,378,422)	-	(8,378,422)
Total comprehensive income for the year										(2186466)	(2,186,466)
Dividends including tax on dividend											
Balance as on March 31, 2019	35,115,495	98,400,000	157,130	(79,239,983)	(22,750,903)	61,589,573	(164,243)	-	79,404,007	(15831889)	63,572,118

Member of



METAL RECYCLING ASSOCIATION OF INDIA
The Voice of the Indian Recycling Industry

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

1 (A) Principles of consolidation:

The consolidated financial statements relate to the Company and its subsidiary company and companies controlled, that is, companies over which the Company exercises control over ownership and voting power (herein after collectively referred to as the "Group"). The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the IND AS – 110 "Consolidated Financial Statements" prescribed u/s 133 of Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules, 2014 issued by the Central Government.
- Investments in subsidiary are eliminated and differences between the costs of investment over the net assets on the date of the investment in subsidiaries are recognised as goodwill or capital reserve, as the case may be.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements. The list of subsidiary companies which are included in the consolidated financial statements are as under:

Name of the Company	Country of incorporation	% holding
Ecoreco Enviro Education Pvt. Ltd.	India	100%

Investments other than in Subsidiaries are accounted as per IND AS – 109 – "Accounting for Investments".

2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

i. Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the

Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The Financial Statements are presented in INR and all values are rounded off to the nearest lakhs (INR 00,000), unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

- Defined Benefit Plans - Plan assets measured at fair value.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. Operating Segment

As the Company is operating only in one business segment i.e. operation of e-waste recycling business in organised manner, the requirement to give segment reporting as per Ind-AS Accounting Standard 108 on Operating Segment issued by the Institute of Chartered Accountants is not applicable.

Use of Accounting Estimates

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported

balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of incomes and expenses for the periods presented.

Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation

techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

External valuers are involved for valuation of significant assets, such as property, plant & equipment.

This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

c. Revenue recognition

The Company derives revenues primarily from purchase of e-waste Scraps, seggregates and accordingly sell it to the concerned customers. The Company also provides Data Destruction Services as a part of the services. The Company also receives minor income from Share trading, Membership Fees and Interest Income apart from above key goods and services rendered.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. As the nature of the business, The Company does not have a policy of Sales Return and hence, does not have any accountability for products to be returned or defective services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied. Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

d. Income Taxes:

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements

and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

e. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal Company as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Company is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Company), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to

be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal Company are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
 - Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations Or
 - Is a subsidiary acquired exclusively with a view to resale
- Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

f. Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and Residual Value

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

Asset Class	Useful life
Plant & Equipment	15 years
Furniture & fixtures	10 years
Office equipment	5 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

g. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including

transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

h. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i. Provisions and Contingent Liability

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the

obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present

Value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

j. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

k. Employee Benefits

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Superannuation, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected

Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises

the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

settlement for a period beyond 12 months, the same is presented as non-current liability.

I. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

m. 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.

n. Financial assets

Initial recognition and measurement

All financial assets are recognised 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are

classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

o. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised 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.

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

other receivables, loans and other financial assets.

p. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans,

debt securities, deposits, trade receivables and bank balance

- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition,

then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms As a practical

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and

financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

q. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised

initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

r. Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

t. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of work in progress and finished goods comprise of purchase cost, conversion

costs and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined using the weighted average basis.

Net realisable is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

u. Finance Cost

Finance cost includes interest expense on borrowings calculated using the effective interest rate (EIR) method.

The entity capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. All other borrowing costs is recognised as an expense in the period in which incurred.

Recent Accounting Pronouncement

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the

statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 5: Property Plant and Equipment and Capital Work in Progress

I Property Plant and Equipment

(Rs in Lacs)

Particulars	Facility land & Building	Plant and Machinery	Furniture and fixtures	Computers	Vehicles	Office Equipments	Content Development	Total
A Gross Block								
Balance as on 1st April, 2017	33,647,167	43,877,624	4,557,533	2,789,343	11,371,939	2,059,490	-	98,303,096
Additions	10,977,753	136,766,972	-	-	-	-	-	147,744,725
Disposals / adjustments	-	1,372,009	-	-	-	-	-	1,372,009
As At March 31, 2018	44,624,920	179,272,587	4,557,533	2,789,343	11,371,939	2,059,490	-	244,675,811
Additions	-	-	-	-	919,184	-	316,250	1,235,434
Disposals / adjustments	-	-	-	-	-	-	-	-
As At March 31, 2019	44,624,920	179,272,587	4,557,533	2,789,343	12,291,123	2,059,490	316,250	245,911,245
B Accumulated depreciation								
As at April 01, 2017	-	9,874,625	630,114	2,765,373	4,649,123	1,002,930	-	18,922,165
Depreciation for the year	-	1,916,740	483,928	12,893	1,178,140	211,439	-	3,803,140
Disposals / adjustments	-	396,489	-	-	-	(57,489)	-	339,001
As At March 31, 2018	-	11,394,876	1,114,042	2,778,266	5,827,263	1,271,858	-	22,386,304
Depreciation for the year	-	2,857,613	278,913	-	1,317,825	244,078	31,625	4,730,055
Disposals / adjustments	-	-	-	-	-	-	-	-
As At March 31, 2019	-	14,252,489	1,392,955	2,778,266	7,145,088	1,515,936	31,625	27,116,359
B Net Block								
As at March 31, 2018	44,624,920	167,877,711	3,443,491	11,077	5,544,676	787,633	-	222,289,507
As at March 31, 2019	44,624,920	165,020,098	3,164,578	11,077	5,146,035	543,554	284,625	218,794,886



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 6 & 7: Investments	Face Value	As At March 31,2019		As At March 31,2018	
	Rs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
I In Equity shares					
[1] In Wholly Owned Subsidiaries at Cost					
Unquoted					
(a) Ecoreco Enviro Education Private limited		-	-	-	-
[2] In equity instruments at Fair value through Other Comprehensive Income					
Quoted					
Aditya Birla Chemicals (India) Ltd	10	-	-	200	222
Gujarat Intrux Limited	10	-	-	2,000	190,900
Hinustan Copper Limited	10	2,000.00	97,900.00	1,000	62,950
Jai Corp Limited	10	3,000.00	346,350.00	1,500	200,250
Jeypore Sugar Company Limited	10	-	-	1,000	101,750
Mazda Limited	10	-	-	500	166,875
M B Parikh Limited	10	-	-	8,150	116,268
NEPC Limited	10	-	-	6,000	107,687
Prism Cement Limited	10	-	-	2,000	217,300
Punjab National Bank	10	4,000.00	381,600.00	3,000	286,350
Ruchi Infrastructure Limited	10	425,000.00	1,235,400.00	425,000	1,551,250
Ruchi Soya Industries Limited	10	421,198.00	2,863,154.72	85,000	1,347,250
Shipping Corporation of India Limited	10	-	-	500	32,175
Sintex Industries Limited	10	20,000.00	169,400.00	10,000	179,500
Spicejet Limited	10	2,000.00	195,500.00	1,000	125,150
Stresscrete Limited	10	20,000.00	110,000.00	20,000	108,000
Subex Limited	10	230,000	1,327,100.00	230,000	1,764,100
Tata Teleservices (Mah) Limited	10	3,500,000.00	10,745,000.00	15,901,301	11,320,009
Upsurge Investment & Finance Limited	10	-	-	268,945	11,914,264
Zenlab Ethica Limited	10	-	-	40,000	2,080,000
Zodiac Clothing Limited	10	-	-	1,000	166,150
Bharat Heavy Electricals Limited	10	20,000.00	1,496,876.32	-	-
IDFC First Bank Limited	10	10,000.00	552,000.00	-	-
NMDC Limited	10	4,000.00	416,600.00	-	-
Reliance Communications Limited	10	1,000,000.00	4,140,000.00	-	-
Reliance Power Limited	10	200,000.00	2,272,000.00	-	-
Vakrangee Limited	10	10,000.00	503,500.00	-	-
Zenlab Ethica Limited	10	11,000.00	634,150.00	-	-
Zodiac Clothing Limited	10	1,000.00	224,650.00	-	-
Total (Quoted)			27,711,181		32,038,399
Unquoted					
DNS Bank Limited	10	10,000	100,000	10,000	100,000
Shamrao Vithal Coop bank	10	-	-	625	625
Total (Unquoted)			100,000		100,625
Total investment in equity shares			36,311,171		40,639,014
II In Preference shares (fully paid up)					

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 6 & 7: Investments	Face Value	As At March 31, 2019		As At March 31, 2018	
	Rs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
[1] In preference shares at Fair Value through profit and loss					
Unquoted					
(a) MGI Investments	10	10,000	2,500,000	10,000	2,500,000
Total investment in preference shares			2,500,000		2,500,000
Total investments (I+II)			38,811,171		43,139,014

Note 8: Non-Current Financial Assts - Loans (Unsecured, Considered good)

Particulars	As At March 31, 2019	As At March 31, 2018
Lease rental deposits	46,500,000	46,500,000
Other security deposits	15,600	306,600
Total	46,515,600	46,806,600

Note 9: Other Non-Current Financial Assets (Unsecured, Considered good)

Particulars	As At March 31, 2019	As At March 31, 2018
Margin Money deposits with bank	3,789,589	3,789,638
Total	3,789,589	3,789,638

Note 10: Other Non-Current Assets

Particulars	As At March 31, 2019	As At March 31, 2018
Capital advances	21,095,615	-
Payment of taxes	1,204,662	1,847,176
GST Credit	-	604,288
MAT Credit	1,500,000	-
Total	23,800,277	2,451,464

Note 11: Inventories

Particulars	As At March 31, 2019	As At March 31, 2018
Inventories	28,734,627	64,673,891
Total	28,734,627	64,673,891

Note 12: Trade Receivables

Particulars	As At March 31, 2019	As At March 31, 2018
Trade Receivables	43,875,842	44,615,826
Receivables from related parties	21,117,711	-
Total	64,993,553	44,615,826
Current portion (Unsecured, considered good)	36,190,397	44,615,826
Non-Current portion (Unsecured, considered good)	28,803,157	-
Total	64,993,553	44,615,826

The Company is confident of recovering entire amount and hence no provision for doubtful trade receivable has been created.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 13: Cash & Cash Equivalents

Particulars	As At March 31, 2019	As At March 31, 2018
Cash on Hand	29,112	1,404
Balances in Banks - Current Accounts	17,471,743	1,402,462
Total	17,500,855	1,403,866

Note 14: Other Current Loans

Particulars	As At March 31, 2019	As At March 31, 2018
Advances Recoverable or in kind or value to be received	-	19,371,814
Total	-	19,371,814

Note 15: Other Current Assets

Particulars	As At March 31, 2019	As At March 31, 2018
Deposits including EMD	22,853,202	1,001,350
Advance for expenses	-	25,616,780
Prepaid expenses	542,447	897,617
Advance to vendor	1,906,170	4,281,479
Advance to employee	70,500	127,106
Other advances	2,743,734	21,701,920
Total	28,116,053	53,626,252

Note 17: Non-Current Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
SECURED		
Secured Borrowings from financial institution (Refer note 17.2 below)	82,320,151	88,267,578
UNSECURED		
From DSIR (Refer note 17.1 below)	90,000,000	90,000,000
Total	172,320,151	178,267,578

17.1: The Company was granted funds of Rs. 900 lacs by DSIR for a project of "E-waste Recycling and Precious Metal Recovery" and this grant is repayable on successful completion of the technology development, demonstration and finally commercialization. The Company has successfully developed technology but demonstration & commercialization could not happen so far because of some external reasons and the same has been acknowledged by the DSIR in its letter dated 14th Feb, 2014.

Since the original terms of the disbursement of the loan by DSIR is that of repayment of grant by the company will commence only on the successful commercialisation of the technology but in the meantime, DSIR preferred to invoke Arbitration Clause for the repayment of the grant amount irrespective of their own admission vide above letter of pending technology commercialisation, the matter is now before a sole Arbitrator and the first hearing was held on 24th & 25th May, 2019 in New Delhi.

17.2: Secured loan from financial institution is a term loan, which is repayable in total 187 installments bearing an interest rate of 10.80%

Note 18: Non-Current Provisions

Particulars	As At March 31, 2019	As At March 31, 2018
Provision for Gratuity & leave salary	747,784	1,773,739
Total	747,784	1,773,739

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 19: Deferred Tax Liability

Particulars	As At March 31, 2019	As At March 31, 2018
Deferred Tax Liability	(13,531,794)	(21,948,467)
Total	(13,531,794)	(21,948,467)

Note 20: Borrowings - Current

Particulars	As At March 31, 2019	As At March 31, 2018
Secured Borrowings from financial institutions	24,462,281	22,967,431
loans from related parties	-	19,371,814
Loans from others	5,593,630	5,188,630
Total	30,055,911	47,527,875

Note 21: Other Trade Payables

Particulars	As At March 31, 2019	As At March 31, 2018
Other Trade Payable	2,023,697	297,555
Dues to Micro & Small Enterprises	-	-
Total	2,023,697	297,555

Note 22: Other Current Financial Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
Current Maturities of long term rupee loan	-	3,067,500
Total	-	3,067,500

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act 2013 at the year end.

Note 23: Other Current Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
Creditors for Expenses	171,248	2,597,908
Advance from customers	143,666	-
Statutory Dues*	3,042,221	1,810,742
Other Payable	-	-
Total	3,357,135	4,408,650

Note 24: Current Provisions

Particulars	As At March 31, 2019	As At March 31, 2018
Provision for Gratuity & Leave Salary	1,523,023	-
Total	1,523,023	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 25: Revenue from Operations

Particulars	As At March 31, 2019	As At March 31, 2018
Sale of Stock in Trade		
Electrical & Electronic Equipment	105,094,492	104,727,190
Sale of Services		
Data Destruction Charges	19,304,466	10,428,311
Training Fees		
Total	124,398,958	115,155,501

Note 26: Other Income

Particulars	As At March 31, 2019	As At March 31, 2018
Interest Income on Bank Deposits	-	290,294
Dividend	152,023	-
Profit/(Loss) on sale of shares held as investment	1,533,883	7,017,634
Membership Fees	485,000	200,000
Sundry Balance written back	2,258,302	17,228,855
Other Income	203,105	1,829,479
Total	4,632,313	26,566,261

Note 27: Purchases of Stock in Trade

Particulars	As At March 31, 2019	As At March 31, 2018
Purchases of Electrical & Electronic Equipment	25,923,710	74,507,674
Total	25,923,710	74,507,674

Note 28: Changes in Inventories of Stock in Trade

Particulars	2018-19	2017-2018
Inventories at the end of Year	28,734,627	89,490,959
Inventories at the beginning of Year	64,674,089	89,597,952
Total	35,939,462	106,993

Note 29: Employee Benefits Expenses

Particulars	2018-19	2017-2018
Salaries, Bonus and other allowances	12,579,704	13,498,002
Contribution in Provident & Other Funds	903,348	419,411
Employee Welfare Expenses	296,475	-
Total	13,779,527	13,917,413

Note 30: Finance Costs

Particulars	2018-19	2017-2018
Interest Expenses		
On Loans from Financial Institution	9,840,737	10,130,008
Other Interest Cost and Processing Fees	299,753	1,739,597
Total	10,140,489	11,869,605

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 31: Other Expenses

Particulars	2018-19	2017-2018
Lease Rent	7,840,083	10,937,037
Freight & Transportation	2,071,091	2,420,533
Travelling & Conveyance	5,166,699	2,391,659
Legal & Professional Fees	4,697,060	1,303,887
Labour Charges	5,200	62,380
Advertisement Expenses	3,304,826	1,618,544
Insurance Expenses	775,850	767,441
Printing & Stationery	245,845	244,166
Repairs & Maintenance	69,616	89,750
Electricity Charges	355,250	412,937
Security Charges	912,264	755,992
Auditor's Remuneration	284,000	275,000
Annual Listing Fees, Registrar & Agent Expenses	367,518	401,898
Loss on Sale of Shares	1,408,928	-
Other Expenses	3,018,041	13,162,594
Miscellaneous Expenditure w/off	-	860,076
Membership fees	20,000	-
Utility expense	78,000	78,000
Content Development Expenses	-	22,188
Total	30,620,271	35,804,083

Note 32: Disclosure in Respect of Leases:

Operating Lease: Company as Lessee

The Company's leasing arrangements are in respect of operating leases for factory, office premises and guest house occupied by the Company. These leasing arrangements are cancellable except during the lock in period, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a) The total of future minimum lease payments during lock in period of operating leases for each of the following periods:

Particulars	2018-2019	2017-2018
i) Not later than one year	8,057,688	7,857,576
ii) Later than one year and not later than five years	-	15,057,576
b) Lease payments recognized in the Statement of Profit and Loss for the period.	7,840,083	9,381,837

Note 33: Contingent Liabilities

Particulars	2018-2019	2017-2018
Guarantee given by Bank on behalf of the Company Secured against equal fixed deposits		
Standing Bank Guarantee in favour of The Customs, JNPT	1,810,000	1,810,000
Custom Duty on Imported Machineries cannot be sold or transferred to any person or other organisation for a period of 5 years from the date of its import	-	12,400,000
Corporate Guarantee to National Skills development Corporation on behalf of its 100% subsidiary Ecoreco Enviro Education Pvt. Ltd.	125,993,806	125,993,806

Note 34: Payment to Auditors

Particulars	2018-2019	2017-2018
Audit Fees	200,000	200,000
Tax Audit Fees	50,000	50,000
Total	250,000	250,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 35: Earnings in Foreign Currency

Particulars	2018-2019	2017-2018
Service Charges	9,086,687	3,449,829
Total	9,086,687	3,449,829

Note 36: The Company had been dealing with Keynote Capital Limited (Keynote) for its Share transactions. A substantial portion i.e 20,56,234 Nos. of shares amounting to ₹4,48,55,092/- out of the investment portfolio maintained by the company in demat form with Keynote has been misappropriated by the Keynote against the loss booked by Keynote on account of transactions in the F&O Segment carried out by Keynote on its own without any authorisation of the company. In this matter Company has won both the appeals of Arbitration Committee of The National Stock Exchange. The above orders were challenged in the Bombay High Court by Keynote Capital Limited and the same is still pending.

Note 37: The Company had entered in to an agreement with KUD Realtors Pvt. Ltd, Mumbai for purchase of 10 acres of land for a consideration of Rs. 650 lacs for setting up its e-waste recycling project at Kharbao, Bhiwandi and paid Rs.615 lacs against the above. As of now, M/s KUD Realtors Pvt Ltd, could conveyance 5.78 acres of land in favor of the company and for the remaining amount they have offered some warehouses and incomplete construction at the same site.

All the above land, warehouses and incomplete building are yet to be physically received because of incomplete documents for which the company has taken appropriate steps with the concerned authorities.

Note 37A: Disputed Income Tax Liability as on 31st March, 2019 Rs. 3947360/- for which appeals are pending before the appellate authority.

Note 38: Balances of some of the trade receivables, trade payables and creditor of expenses, loans and advances (given and taken) and loans, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management, however is of the view that there will be no material adjustments in this regards.

Note 39: The company is in the business of E-waste and Asset Management.

Note 40: Related Party Transactions

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below "

i) Relationships :

(a) Holding Company :-

Ecoreco Ventures Private Limited

(c) Subsidiary(100%):-

Ecoreco Enviro Education Pvt Ltd

(b) Associates:-

Reverse Logistics & Warehousing Private Limited

Ecoreco Park Private Limited

Eco Remarketing Pvt Ltd

Data De-End Private Limited

Reverse E-Commerce Private Limited

EPR Compliance Private Limited

(e) Key Management Personnel :-

Mr. Brijkishor Soni - C.M.D.

Mrs. Aruna Soni - Director

Mr. Srikrishna B. - Director (Ceased w.e.f. 01/04/2019)

Mr. Shashank Soni - Director

Mr. Vijay Acharya - Director (Resigned w.e.f. 10/10/2018)

Mr. Dilip Boralkar - Director (Appointed w.e.f. 26/12/2018)

Mr. Dattatraya Devale - Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

ii) Transaction With Related Parties :-

(Amount in Rs.)

Particulars	Key management personnel	Holding/ Subsidiary	Associates
Remuneration	3,000,000	-	-
Previous Year	3,000,000	-	-
Salary	3,271,595	-	-
Previous Year	1,979,600	-	-
Sitting Fees	120,000	-	-
Previous Year	50,000	-	-
Rent	2,400,000	-	-
Previous Year	4,150,636	-	-
Advance Salary Paid	2,196,746	-	-
Previous Year	-	-	-
Deposit Paid	-	-	-
Previous Year	30,000,000	-	-
Loan Repaid	-	-	-
Previous Year	-	-	-
Loan Taken	-	-	-
Previous Year	-	-	-
Expenses on behalf of Subsidiary	-	-	-
Previous Year	-	-	-
Sales	-	-	59,745,712
Previous Year	-	-	-
Direct Expenses (Data Destruction charges)	-	-	3,170,879
Previous Year	-	-	-
Closing Balance at the Year End			
Loan Taken	-	-	-
Previous Year	-	-	-
Deposit Given	45,000,000	-	-
Previous Year	45,000,000	-	-
Advance Salary Paid	2,196,746	-	-
Previous Year	-	-	-
Advance Rent Paid	526,610	-	-
Previous Year	-	-	-
Trade Receivables	-	-	21,117,711
Previous Year	-	-	-
Advance received from Debtors	-	-	138,034
Previous Year	-	-	-

NOTE: Related party relationship is as identified by the company and relied upon by the Auditors

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Note 41: Earnings Per Share

		Units	2018-2019	2017-2018
i)	Profit after tax	Rs.	10,999,031	(88,381,546)
ii)	Weighted average number of equity shares outstanding	Nos.	17,542,500	17,542,500
iii)	Basic Earnings Per Share	Rs.	0.63	(5.04)
iv)	Diluted Earning Per Share	Rs.	0.63	(5.04)
v)	Face Value of Shares	Rs.	10.00	10.00

Note 42: Financial Risk Management

Financial risk management objectives and policies:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. The Board in its meetings assesses and discusses these risks from time to time and takes necessary action. The Company's exposure is small, hence no treasury department and policies have been made in this regards. If and when required in the future, adequate measures will be taken and apt policies and department will be formed accordingly.

Credit risk

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend and the business environment in which the entity operates. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Note 43: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Signature to Notes 1 to 43

For Talati & Talati
Chartered Accountants
Firm Registration No. 110758W

Rovin Kothari
Partner
Membership No.: 133326

Mumbai
30th May, 2019

For and behalf of the Board

B. K. Soni
Managing Director
DIN: 01274250

Aruna Soni
Director
DIN: 01502649

Anita Choudhari
CFO





ATTENDANCE SLIP
ECO RECYCLING LIMITED

Registered Office: 422, The Summit Business Park, Near Cine Max Theater,
Andheri Kurla Road, Andheri (E), Mumbai – 400 093.
CIN: L74120MH1994PLC079971

25th Annual General Meeting, wednesday, 14th August, 2019

Registered Folio No./DP ID/Client ID:

Name:

Address of Shareholder:

Name of Joint Holder(s), if any:

No. of Shares held:

I certify that I am a member/proxy for the Member of the Company.

I/We hereby record my/our presence at the 25th Annual General Meeting of the Members of Eco Recycling Limited **AT 422 4TH FLOOR THE SUMMIT BUSINESS PARK NEAR WEH METRO STATION, ANDHERI (E) MUMBAI - 400093**, at 12.00 p.m. on Wednesday, August 14, 2019.

Signature of Shareholder / Proxy Present

-----Cut Here-----

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	PAN No. / Seq. No

Note:
Please read the complete instructions printed at Note No. 19 of the Notice of 25th Annual General Meeting. The E-Voting period starts on Saturday, August 10, 2019 (9.00 a.m. IST) and ends on Tuesday, August 13, 2019 (5.00 p.m. IST). The e-voting module shall be disabled by CDSL for voting thereafter.

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ECO RECYCLING LIMITED

Registered Office: 422, The Summit Business Park, Near Cine Max Theater,
Andheri Kurla Road, Andheri (E), Mumbai – 400 093.

Tel. No.: 022-40052951/52 **E-mail:** shareholders@ecoreco.com **Website:** www.ecoreco.com

CIN: L74120MH1994PLC079971

Twenty-Fifth Annual General Meeting - Wednesday, August 14, 2019

Name of the member (s):

Registered address:

..... E-mail Id:

Folio No/* Client Id: _____ *DP ID: _____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: Address:

.....

E-mail Id:Signature: or failing him

2. Name: Address:

.....

E-mail Id:Signature: or failing him

3. Name: Address:

.....

E-mail Id:Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual general meeting of the Members of the Company to be held on Wednesday, August 14, 2019 at 12.00 p.m. **422 4TH FLOOR THE SUMMIT BUSINESS PARK NEAR WEH METRO STATION, ANDHERI (E) MUMBAI - 400093** and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolution	Voting (Optional)*		
Ordinary Business		For	Against	Abstain
1.	Adoption of the Audited Financial Statement of the Company for the Financial Year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Board's Report and the Report of Auditors' thereon Adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon			
2.	Appointment of a Director in place of Mr. Shashank Soni (DIN: 02083384), who retires by rotation and, being eligible, offers himself for re-appointment			
Special Business				
3.	To approve the aggregate annual remuneration payable to Mr. Brijkishor Soni (DIN: 01274250) Promoter - Executive Managing Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013			
4.	To approve the aggregate annual remuneration payable to Mrs. Aruna Soni DIN: (01502649) Promoter - Executive Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013:			
5.	To approve the capitalization of profit and free reserves for issue of Bonus Shares and to fix the Record Date			
6.	To approve appointment of Mr. Dilip Boralkar as Independent Director			
7.	To approve appointment of Mr. Srikrishna Bhamidipati as Independent Director			

Signed this..... day of2019

.....
Signature of Shareholder

Affix
Revenue
Stamp

.....
Signature of Proxy holder(s)

.....
Signature of Proxy holder(s)

.....
Signature of Proxy holder(s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- *It is optional to put (✓) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of Twenty-Fifth Annual General Meeting.
- The Company reserves its right to ask for identification of the Proxy.
- The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/depository participant.



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Join the war against E-waste



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Register yourself as an Eco Warrior

Select E-waste for recycling

Get free box for E-waste delivered at your doorstep

Request for free pick-up

Our planet needs a new lease of life. One of the best ways to ensure it is by recycling our E-waste responsibly. And thankfully, the only weapon you need is your phone.

Download the app today and join **Mission 1 Million Eco Warriors**



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