

India's Leading **e-waste** Management Company



Ecoreco®
Eco Recycling Limited

Give your **e-waste** to the best



ECO RECYCLING LIMITED
ANNUAL REPORT 2014-2015

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

BOARD OF DIRECTORS

DIRECTORS

B K Soni – CMD
Vijay Acharya
Srikrishna B.
D. T. Devale - Ex-MPCB
Aruna Soni
Shashank Soni
T Raghavendra Rao

COMPLIANCE OFFICER

Anita Choudhari

AUDITORS

GMJ & Co.
Chartered Accountants
VastuDarshan,
Andheri (East), Mumbai – 400 059.

BANKERS

Catholic Syrian Bank
Kotak Mahindra Bank

REGISTRARS & TRANSFER AGENTS

Bigshare Services Private Limited
E/2, Ansa Industrial Estate,
Saki Vihar Road,
Saki Naka, Andheri (East),
Mumbai – 400 072

REGISTERED OFFICE

205, Centre Point,
Next to Hotel Kohinoor,
Andheri Kurla Road, Andheri (E),
Mumbai–400 059

E-MAIL ADDRESS

info@ecoreco.com
shareholders@ecoreco.com

WEBSITE

www.ecoreco.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 21st Annual General Meeting of Eco Recycling Limited will be held at Eco House, Bhoidapada, Near Range Office, Next to Top Class Enclave, Sativali, Vasai (East), District Thane 401208 on 26th September, 2015 at 11:00 A.M. to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the Audited financial statement of the Company for the financial year ended March 31, 2015, including audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Aruna Soni (DIN: 01502649) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and 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 the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. GMJ & Co., Chartered Accountants bearing Registration No. 1034292W being retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting until conclusion of the next Annual General Meeting, on such remuneration as may be fixed by the

Board of Directors in consultation with the Auditors".

Special Business:

4. To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Vijay Acharya (DIN:07114916), who was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on 14th February, 2015, effective from 8th January, 2015, in terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

5. To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Dattatraya Devale (DIN:07186290), who was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on 30th May, 2015

effective from 16th May, 2015, in terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

By order of the Board of Directors
B. K. Soni
Chairman & Managing Director
DIN: 01274250

14th August 2015
Mumbai

Registered Office:
205, Centre Point,
Next to Hotel Kohinoor,
Andheri Kurla Road,
Andheri East,
Mumbai – 400 059
CIN: L74120MH1994PLC079971



NOTES:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the Meeting and vote thereat instead of himself/herself and such proxy need not be a member of the company. A person appointed as proxy shall act on behalf of such number of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company, carrying voting rights. Further, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy shall not vote except on a poll. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

The proxy forms should be lodged with the company at the registered office at least 48 hours before the commencement of the meeting.

2. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

4. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2015 to September 26, 2015 (both days inclusive) for the purpose of Annual General Meeting
7. Members holding shares in physical form and desirous of making/ changing nomination in respect of their shareholding in the Company, may send their request in the prescribed Form 2B to the Registrar & Transfer Agents of the Company.
8. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. Members desirous of obtaining any information on the Accounts and Operations of the Company or clarifications on the Annual Report are requested to write at least one week before the meeting so that the same could be compiled in advance.
10. Members are requested to notify changes, if any, in their registered addresses along with the pin code

to the Company's Registrar and Share Transfer Agent.

11. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorship and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
12. A Statement pursuant to section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
13. Members are requested to bring their copy of Annual Report to the Meeting.
14. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.
15. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
16. Member are requested to address all correspondences, including dividend matters, to the Registrar and Share transfer Agents, M/s. Big Share Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar

Road, Saki Naka, Andheri (East),
Mumbai – 400 072 Tel No: +91
22 28470652/53, Fax No.: +91
22 28475207, Email: investor@
bigshareonline.com

17. As per the provisions of the Companies Act, 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 Transfer Agents of the Company
18. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
19. Information under clause 49 of the listing agreement relating to directors retiring by rotation and seeking re-appointment is given at **Annexure 1**;
20. To support the 'Green Initiative', The Members who have not registered their e-mail addresses are requested to register the same with the Company/Depositories;
21. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

22. E- voting :

In compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.

Process for E –Voting –

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com;

- ii. Click on “Shareholders” tab;
 - 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;
- 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;



vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

vii. After entering these details appropriately, click on "SUBMIT" tab;

ix. 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;

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;

xi. Click on the EVSN on which you choose to vote;

xii. 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;

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details;

xiv. 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;

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. 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:

xviii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates;

xix. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com;

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on;
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote;
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote;

- 1) The voting period begins from 9.00 a.m. on Wednesday, 23rd September, 2015 and ends at 5.00 p.m. on Friday 25th September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15th, September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;
- 2) 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.co.in under help section or write an email

to helpdesk.evoting@cdslindia.com.

- 3) M/s. Pramod S. Shah & Associates, Practising Company Secretaries, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company;
- 4) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.ecoreco.com and on the website of CDSL within 2 (two) working days

ECO RECYCLING LIMITED

of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

14th August 2015
Mumbai

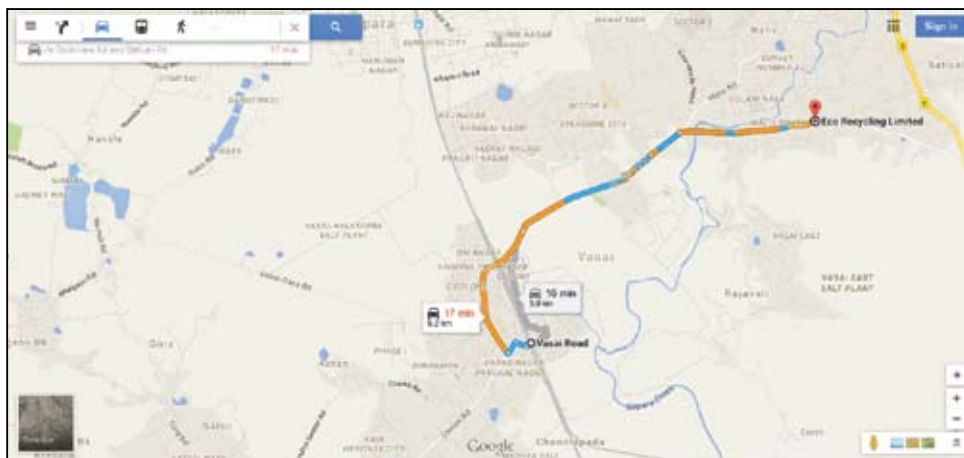
By order of the Board of Directors
B. K. Soni
Chairman & Managing Director
DIN: 01274250

Registered Office:
205, Centre Point,
Next to Hotel Kohinoor,
Andheri Kurla Road,
Andheri East,
Mumbai – 400 059
CIN: L74120MH1994PLC079971

Venue of the AGM Meeting

Landmark: Near Range Office, Sativali Road, Vasai (East), Dist. Thane

ROUTE MAP TO VENUE



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

Item No. 4: The Board of Directors at its meeting held on 14th February, 2015 appointed Mr. Vijay J. Acharya as an Additional Director of the Company to hold office with effect from 8th January, 2015.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956), Mr. Vijay J. Acharya holds office only up to the date of this Annual General Meeting of the Company.

A notice has been received from a Member proposing Mr. Vijay J. Acharya as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mr. Vijay J. Acharya as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company.

Except Mr. Vijay J. Acharya, being an appointee, none of the other Directors

and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

Item No. 5: The Board of Directors at its meeting held on 30th May, 2015 appointed Mr. Dattatraya T. Devale as an Additional Director of the Company to hold office with effect from 16th May, 2015.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956), Mr. Dattatraya T. Devale holds office only up to the date of this Annual General Meeting of the Company.

A notice has been received from a Member proposing Mr. Dattatraya T. Devale as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mr. Dattatraya T. Devale as a Director of the Company would be of immense benefit to the Company. Accordingly,

the Board of Directors recommends his appointment as a Director of the Company.

Except Mr. Dattatraya T. Devale, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

14th August 2015
Mumbai

By order of the Board of Directors
B. K. Soni
Chairman & Managing Director
DIN: 01274250

Registered Office:
205, Centre Point,
Next to Hotel Kohinoor,
Andheri Kurla Road,
Andheri East,
Mumbai – 400 059
CIN: L74120MH1994PLC079971



ANNEXURE 1

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

Information regarding Director(s) seeking appointment/re-appointment at the 21st Annual General Meeting (Pursuant to Clause 49 of Listing Agreement and other applicable regulations)

Item No. 2

1. **Name:** Mrs. Aruna Soni
2. **DIN:** 01502649
3. **Age:** 54
4. **Profession:** Service
5. **Qualification:** B. A.
6. **Date of first appointment on the Board:** 28/08/1998
7. **Expertise in specific functional area:** Admin
8. **Relationship with other directors:** Spouse of Mr. B. K. Soni and Mother of Mr. Shashank Soni
9. **Directorships held in other Companies:** 4
10. **Memberships held in committees of the Board of other Companies:** NA
11. **The number of Meetings of the Board attended during the year:** 5
12. **Shares held in the Company as on the date of Notice:** 6,47,456

Item No. 4

1. **Name:** Mr. Vijay Jagannath Acharya
2. **DIN:** 07114916
3. **Age:** 60

4. **Profession:** Service
5. **Qualification:** CISI
6. **Date of first appointment on the Board:** 08/01/2015
7. **Expertise in specific functional area:** Strategy Planning
8. **Relationship with other directors:** NA
9. **Directorships held in other Companies:** 1
10. **Memberships held in committees of the Board of other Companies:** NA
11. **The number of Meetings of the Board attended during the year:** NA
12. **Shares held in the Company as on the date of Notice:** 89,100

Item No. 5

1. **Name:** Mr. Dattatraya Trimbak Devale
2. **DIN:** 07186290
3. **Age:** 58
4. **Profession:** Legal Practitioner
5. **Qualification:** LLM
6. **Date of first appointment on the Board:** 16/05/2015
7. **Expertise in specific functional area:** Legal
8. **Relationship with other directors:** NA
9. **Directorships held in other Companies:** NA
10. **Memberships held in committees of the Board of other Companies:** NA
11. **The number of Meetings of the Board attended during the year:** NA
12. **Shares held in the Company as on the date of Notice:** NIL



DIRECTORS' REPORT

The Members of

ECO RECYCLING LIMITED

Your Directors are pleased to present the Twenty First Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31st March, 2015.

The State of the Company's Affairs

The previous year set the ball rolling for the Waste Management Companies in India with the announcement of Swachh Bharat Mission by 2nd October, 2019 (150th Birth Anniversary of Mahatma Gandhi), spending 2% for Corporate Social Responsibility which includes Environmental Projects, streamlining the present Rules & Regulations relating to Waste Management etc.

E-waste being the most hazardous as well as most valuable waste caught attention of the Regulators, Municipal Authorities, Corporates, NGOs, Environmentalists and others for safe & secured disposal. In the light of the above and being the pioneer in the segment, your company is extremely confident of extra ordinary performance and growth both organically & inorganically in a short to medium term. Your Board has taken several initiatives to expand reach & presence to increase volume of infeed and enlarge customer base.

1. FINANCIAL HIGHLIGHTS (₹ in Lacs)

	2014-15	2013-14
Income	3140.64	2545.52
Expenditure	2987.00	2802.97
Profit/ (Loss) before Depreciation and Tax	153.64	80.07

Depreciation	28.87	28.58
Profit /(Loss) before Tax	124.77	51.49
Deferred Tax/Current Tax	31.28	21.63
Profit/ (Loss) after Tax	93.49	29.86

During the year under review your Company has reported a total income of INR 3140.64 lakhs out of which non-operating income amounts to INR 45.03 lakhs which has decreased by INR 292.49 lakhs as compared to the previous year.

2. DIVIDEND

Your Directors have not recommended any dividend for the financial year ended 31st March, 2015.

3. TRANSFERS TO RESERVES

The Company has proposed to transfer 135 lakhs to the General Reserve out of amount available for appropriations.

4. No material changes and commitments, affecting the financial position of the company 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 AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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 and hence the information required to be disclosed in the Board's Report is not given.

6. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lacs)

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

	2014-15	2013-14
Earnings in Foreign Currency	61.37	346.81
Expenses in Foreign Currency	1.02	2.52

7. CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Exchange during the year under review.

8. ANNUAL RETURN

The extract of annual return for the financial year 2014-15 is attached in Annexure I

9. FIXED DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder.

10. The details in respect of adequacy of internal financial controls with reference to the Financial Statements.

A. Board Meetings

The Board of Directors (herein after called as "the Board") met for 5 number of 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	30.05.2014	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri(E), Mumbai-400059 Time: 4:00 P.M.	i) T. R. Rao ii) Brijkishor Soni iii) Aruna Soni iv) Srikrishna B v) Shashank Soni	None
2	14.08.2014	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri(E), Mumbai-400059 Time: 4:00 P.M.	i) T. R. Rao ii) Brijkishor Soni iii) Aruna Soni iv) Srikrishna B v) Shashank Soni	None
3	02.09.2014	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri(E), Mumbai-400059 Time: 4:00 P.M.	i) T. R. Rao ii) Brijkishor Soni iii) Aruna Soni iv) Srikrishna B v) Shashank Soni	None
4	14.11.2014	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri(E), Mumbai-400059 Time: 4:00 P.M.	i) T. R. Rao ii) Brijkishor Soni iii) Aruna Soni iv) Srikrishna B v) Shashank Soni	None
5	14.02.2015	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri(E), Mumbai-400059 Time: 2:00 P.M.	i) T. R. Rao ii) Brijkishor Soni iii) Aruna Soni iv) Srikrishna B v) Shashank Soni	Mr. Vijay Acharya

B. Change in Directors and key managerial personal

The following directors were appointed during the financial year ended March 31, 2015:

1. Mr. Vijay Acharya has been appointed as Additional Director (Non Independent) under Section 161 of the Companies Act, 2013 with effect from 08/01/2015 as an additional Director, Mr. Vijay Acharya will hold office upto the date of the ensuing Annual General Meeting. The Company has received notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a member proposing his appointment as a Director. The Board of Directors recommends his appointment.
2. Mr. Dattatraya Trimbak Devale has been appointed as Additional Director (Non Independent) under Section 161 of the Companies Act, 2013 with effect from 16/05/2015 as an additional Director, Mr. Dattatraya Trimbak Devale will hold office upto the date of the ensuing Annual General Meeting. The Company has received notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a member proposing his appointment as a Director. The Board of Directors recommends his appointment.

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

Pursuant to Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014

the Central Government has prescribed that your Company shall have minimum two Independent Directors.

In view of the above provisions, your Company has following Independent Directors:

Name of the Independent Director	Date of appointment
Mr. Dattatraya Trimbak Devale	16/05/2015
Mr. Vijay Acharya	08/01/2015
Mr. Srikrishna B.	14/03/2013
Mr. T. R. Rao	28/01/2011

All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of 'independence' as required under section 149(7) of the Companies Act, 2013.

12. COMMITTEES OF BOARD:

A. Nomination and Remuneration Committee:

In accordance with Section 178 of the Companies Act, 2013 your Company has re-constituted a Nomination and Remuneration Committee consisting of 3 non-executive directors out of which not less than one-half are be independent directors.

The Composition of the Committee is as under:

Chairman: Mr. Srikrishna B., Non-Executive and Independent Director

Members: 1) Mr. T. R. Rao, Non-Executive and Independent Director
2) Mrs. Aruna Soni, Executive Director.
3) Mr. Vijay Acharya, Non-Executive and Independent Director

4) Mr. Srikrishna B., Non-Executive and Independent Director

The Nomination and Remuneration Committee has formulated policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 and the policy formulated by the Committee is attached herewith in **Annexure II**.

B. Audit Committee:

Your Company under the provisions of Section 177 of the Companies Act, 2013 has re-constituted / constituted an "Audit Committee" comprising of minimum three directors with independent directors forming a majority. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

The Composition of the Committee is as under:

Chairman: Mr. Srikrishna B.

Members: Mrs. Aruna Soni, Mr. T. R. Rao, Mr. Srikrishna B.

Secretary: The Company is in the process of appointing the Company Secretary

The functions of the Audit Committee are broadly :

- Overview 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.
- Review and monitoring of internal control system and compliance of audit observations of the Auditors
- Review of the financial statements before submission to the Board.

- Supervision of other financial and accounting matters as may be referred to by the Board.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- Overseeing vigil mechanism 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 and exceptional cases.

13. THE VIGIL MECHANISM;

The Board of Directors of your Company has established a vigil mechanism and believes in promoting a fair, transparent, ethical and professional work environment.

The Board of Directors of the Company has established a Whistle Blower Policy & Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement for reporting the genuine concerns or grievances or concerns of actual or suspected, fraud or violation of the Company's code of conduct. The said Mechanism is established for directors and employees to report their concerns. The policy provides the procedure and other details required to be known for the purpose of reporting such grievances or concerns. The same is uploaded on the website of the Company.

14. QUALIFICATION GIVEN BY THE AUDITORS

A. QUALIFICATION GIVEN BY THE STATUTORY AUDITORS:

- 1) During the year 2014-15, the Company has not revised the useful life of the Fixed Assets as required by Schedule – II of the Companies Act, 2013, as a result its impact on the Balance Sheet and Statement of Profit and Loss account is unascertainable.
- 2) We draw attention to Note 33 of the Notes forming part of financial Statements regarding method of accounting of miscellaneous expenditure which are in our opinion is not in accordance with the Accounting Standard 26 “Intangible Assets” aggregating to ₹3,919,517.
- 3) Company has not complied with the requirement of Gratuity as required under AS-15 and has not made any provision for the same, as a result its impact on the Balance Sheet and Statement of Profit and Loss account is unascertainable.

Explanations or Comments By The Board On Every Qualification, Reservation Or Adverse Remark Or Disclaimer Made By Auditor

1. The same has been rectified in Quarter 1 of Financial 2015-2016 and the impact on Profit & Loss Account is negligible.
2. As regards to 2nd qualification on Miscellaneous Expenditure it is a call taken by the Management to amortize the said Miscellaneous Expenditure
3. As regards to 3rd qualification, the same has been rectified in Q1 of Financial year 2015-2016 & the

Impact on Profit on Loss Account is negligible.

B. QUALIFICATION GIVEN BY THE SECRETARIAL AUDITOR:

The Company was required to appoint an Internal Auditor within six months of the commencement of Companies Act, 2013 i.e. within six months from 1st April, 2014. However, as per the representation received from the management, Company has appointed Internal Auditors at the Board Meeting held on 14.02.2015 and they are in the process of filing of form MGT-14.

Explanations or Comments By The Board On Every Qualification, Reservation Or Adverse Remark Or Disclaimer Made By Auditor

1. With regards to above qualification, we would like to state that the company has appointed internal auditor with effect from 14th February, 2015.

15. RISK MANAGEMENT:

The Board of Director of your Company have identified industry specific risk and other external, internal, political and technological risk which in opinion of the board are threaten to the Company and Board has taken adequate measures and actions which are required to take for diminishing the adverse effect of the risk.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

ECO RECYCLING LIMITED

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

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

18. AUDITORS:

M/s. GMJ & Co, Chartered Accountants, Statutory Auditors of your Company, retire at the ensuing Annual General Meeting

ECO RECYCLING LIMITED

and are eligible for re-appointment. The Auditors have given their consent in writing and have furnished a certificate to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 139(1) and that they meet with the criteria prescribed under section 141 of the Companies Act, 2013. Your Directors recommend their re-appointment in the ensuing Annual General Meeting.

19. SECRETARIAL AUDITOR

Your Company has appointed M/s. Pramod S. Shah and Associates as a Secretarial Auditor of the Company, according to the provision of section 204 of the Companies, Act 2013 for conducting secretarial audit of Company for the financial year 2014 – 15.

M/s. Pramod S. Shah and Associates have issued their Audit report is attached in **Annexure III**.

20. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONAL;

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 is attached to this report as ANNEXURE II.

DETAILS OF REMUNERATION / COMPENSATION RECEIVED BY MANAGING / WHOLE TIME DIRECTOR FROM HOLDING / SUBSIDIARY COMPANIES - NIL

21. PARTICULARS OF EMPLOYEES:

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. RELATED PARTY TRANSACTIONS

The Company has entered in transactions with related parties in accordance with the provisions of the Companies Act, 2013 and the particulars of contracts or arrangements with related parties referred in Section 188(1), as prescribed in Form AOC-2 is appended as annexure IV of the rules prescribed in Chapter IX relating to Accounts of Companies Act, 2013, is duly entered in the register.

23. 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 endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year ended 31 March, 2015, no complaints have been received pertaining to sexual harassment.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable

and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from all stake holders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

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

14th August 2015
Mumbai

ANNEXURE TO BOARD'S REPORT

Annexure I Annual return

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended **March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:-	L74120MH1994PLC079971
ii)	Registration Date –	01/08/1994
iii)	Name of the Company -	ECO RECYCLING LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered office and contact details	205, Centre Point, 2nd Floor, J.B. Nagar, Andheri-Kurla Road, Andheri (E), Mumbai-400059 Tel.: No.: +91 22 4005 2951 / 52 / 53
vi)	Whether listed company Name, Address and Contact details of Registrar and Transfer Agent, if any	Yes Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai - 400072 Tel. No.: +91 22 28470652/53

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of	NIC Code of the	% to total turnover of the
	main products / services	Product/ service	Company
1	Waste Collection, treatment and disposal activities	Division 38 Code 38221	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sr. No	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Reverse Logistics & Warehousing Private Limited	U51900MH1995PTC086879	Associate	NIL	Sec. 2(6)
2	Ecoreco Park Private Limited	U37100MH2013PTC247051	Associate	NIL	Sec. 2(6)
3	Weee India Private Limited	U37200MH2013PTC244079	Associate	50.00	Sec. 2(6)
4	Ecoreco Ventures Private Limited	U70100MH1994PTC076836	Holding	52.05	Sec. 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2,571,571	-	2,571,571	14.67	2,938,265	-	2,938,265	16.75	2.08
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,139,250	-	9,139,250	52.10	9,139,250	-	9,139,250	52.10	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	11,710,821	-	11,710,821	66.77	12,077,515	-	12,077,515	68.85	2.08
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
a) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total share holding of Promoter (A) = (A)(1) + (A)(2)	11,710,821	-	11,710,821	66.77	12,077,515	-	12,077,515	68.85	2.08
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	800	-	800	-	800	-	800	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

g) FIIs	360,000	-	360,000	2.05	360,000	-	360,000	2.05	2.05
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	360,800	-	360,800	2.05	360,800	-	360,800	2.05	2.05
2. Non- Institutions									
a) Bodies Corp.	2,097,959	22,200	2,120,159	12.09	2,289,544	22,200	2,311,744	13.18	1.09
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	698,382	288,622	987,004	5.63	633,872	286,272	920,144	5.25	0.38
ii) Individual shareholders holding nominal share capital in excess of ₹ lakh	773,452	662,500	1,435,952	8.19	882,863	62,500	945,363	5.39	2.80
c) Others (specify)									
-Clearing Member	340	-	340	0.00	2093	-	2093	0.01	2.01
-NRI	127,424	-	127,424	0.73	124,841	-	124,841	0.71	0.20
-OBC	-	800,000	800,000	4.56	800,000	-	800,000	4.56	-
Sub-total (B) (2):-	3,697,557	1,773,322	5,470,879	31.2	4,733,213	370,972	5,104,185	29.1	2.1
Total Public Shareholding (B)=(B)(1)+ (B) (2)	4,058,357	1,773,322	5,831,679	33.24	5,094,013	370,972	5,464,985	31.15	(2.09)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15,769,178	1,773,322	17,542,500	100	17,171,528	1,172,725	17,542,500	100	-

(ii) Shareholding of promoters

Sr No	Shareholders Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No of Shares	% of total shares of company	%of Shares Pledged / encumbered to total shares	No of Shares	% of total shares of company	%of Shares Pledged / encumbered to total shares	
1	Ecoreco Ventures Pvt. Ltd.	9,139,250	52.10	-	9,139,250	52.10	-	-
2	Brijkishor Soni	2,139,162	12.19	340,000	2,139,162	12.19	340,000	-
3	Aruna Brijkishor Soni	280,762	1.60	-	647,456	3.69	-	2.09
4	Brijkishor Soni (HUF)	151,647	0.86	-	151,647	0.86	-	-
	Total	11,710,821	66.77	340,000	12,077,515	68.84	340,000	2.09



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name of the Promoter : Aruna Soni

Particulars	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	Date	No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	01/04/2014	11,710,821	66.757	11,710,821	66.757
Date wise increase / decrease in shareholding	04/04/2014	1,200	0.007	11,712,021	66.764
	23/05/2014	46,481	0.265	11,758,502	67.029
	30/05/2014	73,207	0.417	11,831,709	67.446
	06/06/2014	64,553	0.368	11,896,262	67.814
	13/06/2014	11,762	0.067	11,908,024	67.881
	20/06/2014	22,000	0.125	11,930,024	68.006
	30/06/2014	1,250	0.007	11,931,274	68.014
	04/07/2014	6,909	0.039	11,938,183	68.053
	11/07/2014	35,800	0.204	11,973,983	68.257
	18/07/2014	2,000	0.011	11,975,983	68.268
	25/07/2014	4,400	0.025	11,980,383	68.293
	01/08/2014	670	0.004	11,981,053	68.297
	08/08/2014	12,387	0.071	11,993,440	68.368
	15/08/2014	6,000	0.034	11,999,440	68.402
	22/08/2014	7,421	0.042	12,006,861	68.444
	29/08/2014	20	0.000	12,006,881	68.445
	05/09/2014	12,350	0.070	12,019,231	68.515
	12/09/2014	11,545	0.066	12,030,776	68.581
	19/09/2014	4,195	0.024	12,034,971	68.605
	22/09/2014	643	0.004	12,035,614	68.608
	30/09/2014	2,595	0.015	12,038,209	68.623
	03/10/2014	10,520	0.060	12,048,729	68.683
	10/10/2014	109	0.001	12,048,838	68.684
	24/10/2014	12,342	0.070	12,061,180	68.754
	07/11/2014	9,962	0.057	12,071,142	68.811
	14/11/2014	5,518	0.031	12,076,660	68.842
	02/01/2015	605	0.003	12,077,265	68.846
	09/01/2015	250	0.001	12,077,515	68.847
At the End of the year	31/03/2015	12,077,515	68.847	12,077,515	68.847

(iv) Shareholding pattern of top ten Sahreholders' (other than Directors', Promoters and holders' of GDRs and ADRs)

Sr. No.	Name	Particulars	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
			Date	No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Bennet, Coleman & Company Limited	At the beginning of the year	01/04/2014	1,400,000	7.981	1,400,000	7.981
		Date wise increase / decrease in shareholding		-	-	-	-
		At the end of the year	31/03/2015	1,400,000	7.981	1,400,000	7.981
2	Nippon Magnetic Dressing Company Limited	At the beginning of the year	01/04/2014	800,000	4.560	800,000	4.560
		Date wise increase/ decrease in shareholding		-	-	-	-
		At the end of the year	31/03/2015	800,000	4.560	800,000	4.560
3	Shailesh Parikh	At the beginning of the year	01/04/2014	516,000	2.941	516,000	2.941
		Date wise increase/ decrease in shareholding	23/05/2014	(152,000)	(0.866)	364,000	2.075
			30/05/2014	(200,278)	(1.142)	163,722	0.933
			06/06/2014	103,499	0.590	267,221	1.523
			13/06/2014	20,586	0.117	287,807	1.641
			20/06/2014	(6,861)	(0.039)	280,946	1.602
			30/06/2014	(7,526)	(0.043)	273,420	1.559
			04/07/2014	245,550	1.400	518,970	2.958
			11/07/2014	(1,000)	(0.006)	517,970	2.953
			18/07/2014	(2,200)	(0.013)	515,770	2.940
			01/08/2014	(5,312)	(0.030)	510,458	2.910
			14/11/2014	(50,000)	(0.285)	460,458	2.625

			21/11/2014	36,900	0.210	497,358	2.835
			28/11/2014	(27,000)	(0.154)	470,358	2.681
			05/12/2014	3,108	0.018	473,466	2.699
			12/12/2014	(40,798)	(0.233)	432,668	2.466
			31/12/2014	30,121	0.172	462,789	2.638
			23/01/2015	(27,470)	(0.157)	435,319	2.482
			06/03/2015	16,091	0.092	451,410	2.573
			20/03/2015	(1,000)	(0.006)	450,410	2.568
			27/03/2015	(25,000)	(0.143)	425,410	2.425
		At the end of the year		425,410	2.425	425,410	2.425
4	Lotus Global Investments Ltd.	At the beginning of the year	01/04/2014	360,000	2.052	360,000	2.052
		Date wise increase/ decrease in shareholding		-	-	-	-
		At the end of the year	31/03/2015	360,000	2.052	360,000	2.052
5	Jayati Finance and Investments Pvt. Ltd.	At the beginning of the year	01/04/2014	323,885	1.846	323,885	1.846
		Date wise increase/ decrease in shareholding		-	-	-	-
		At the end of the year	31/03/2015	323,885	1.846	323,885	1.846
6	Bunkim Finance and Investments Pvt. Ltd.	At the beginning of the year	01/04/2014	292,700	1.669	292,700	1.669
		Date wise increase/ decrease in shareholding		-	-	-	-

		At the end of the year	31/03/2015	292,700	1.669	292,700.000	1.669
7	Shweta Parikh	At the beginning of the year	01/04/2014	27,420	0.156	27,420	0.156
		Date wise increase/decrease in shareholding	30/05/2014	(27,420)	(0.156)	-	-
			04/07/2014	350,000	1.995	350,000	1.995
			08/08/2014	(50)	(0.000)	349,950	1.995
			15/08/2014	(220)	(0.001)	349,730	1.994
			22/08/2014	(4,370)	(0.025)	345,360	1.969
			05/09/2014	(12,398)	(0.071)	332,962	1.898
			12/09/2014	(12,010)	(0.068)	320,952	1.830
			22/09/2014	(1,200)	(0.007)	319,752	1.823
			30/09/2014	(28,800)	(0.164)	290,952	1.659
			17/10/2014	(52,600)	(0.300)	238,352	1.359
			31/10/2014	(27,600)	(0.157)	210,752	1.201
		At the end of the year	31/03/2015	210,752	1.201	210,752	1.201
8	Upsurge Investment & Finance Ltd.	At the beginning of the year	01/04/2014	-	-	-	-
		Date wise increase/decrease in shareholding	31/10/2014	40,000	0.228	40,000	0.228
			07/11/2014	1,980	0.011	41,980	0.239
			14/11/2014	11,000	0.063	52,980	0.302
			05/12/2014	11,539	0.066	64,519	0.368
			12/12/2014	3,000	0.017	67,519	0.385
			19/12/2015	7,976	0.045	75,495	0.430
			23/01/2015	15,000	0.086	90,495	0.516
			30/01/2015	44,000	0.251	134,495	0.767
			06/02/2015	2,500	0.014	136,995	0.781
			13/02/2015	5,000	0.029	141,995	0.809
			27/02/2015	4,000	0.023	145,995	0.832
			13/03/2015	12,151	0.069	158,146	0.902
			20/03/2015	5,000	0.029	163,146	0.930
			31/03/2015	3,000	0.017	166,146	0.947
		At the end of the year	31/03/2015	166,146	0.947	166,146	0.947

9	Vijay Acharya	At the beginning of the year	01/04/2014	89,100	0.508	89,100	0.508
		Date wise increase/ decrease in shareholding		-	-	-	-
		At the end of the year	31/03/2015	89,100	0.508	89,100	0.508
10	Haresh Babulal Shah	At the beginning of the year	01/04/2014	47,264	0.269	47,264	0.269
		Date wise increase/ decrease in shareholding	30/05/2014	(37,264)	(0.212)	10,000	0.057
			06/06/2014	(4,664)	(0.027)	5,336	0.030
			20/06/2014	(5,336)	(0.030)	-	-
		At the end of the year	31/03/2015	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Brijkishor Kishangopal Soni				
	At the beginning of the year	2,139,162	12.19	2,139,162	12.19
	Date wise Increase / Decrease in Promoters Share holding	-	-	-	-
	At the End of the year	2,139,162	12.19	2,139,162	12.19
2.	Aruna Brijkishor Soni				
	At the beginning of the year	280,762	1.60	280,762	1.60
	Date wise Increase / Decrease in Promoters Share holding	366,694	2.09	647,456	2.09
	At the End of the year	647,456	2.09	647,456	2.09

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	58,035,425	90,000,000	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	58,035,425	90,000,000	-	-
Change in Indebtedness during the financial year				
Addition	18,716,508	-	-	-
Reduction	-	-	-	-
Net Change	18,716,508	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	76,751,933	90,000,000	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	76,751,933	90,000,000	-	-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Managing Director Mr. B. K. Soni	Executive Director Mr. Shashank Soni	Executive Director Mrs. Aruna Soni	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,000,000	1,200,000	600,000	4,800,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	3,000,000	1,200,000	600,000	4,800,000
	Ceiling as per the Act	The total managerial remuneration payable in respect of financial year 2014-2015 shall not exceed eleven per cent of the net profit of the Company for financial year 2014-2015 or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act 2013.			

B. Remuneration to other directors: NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	-	849,374	849,374
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit				
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	849,374	849,374

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable



ANNEXURE 2

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) Non-Executive Directors forming majority are Independent Directors.

1. Purpose of the Policy:

The Nomination and Remuneration Committee ("Committee") of the Company and this Policy shall be in compliance with the provisions of Section 178 of the Companies Act, 2013, Clause 49 of the Listing Agreement and such other rules / regulations as may be applicable to the Company.

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 & 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.

3. ROLE OF COMMITTEE

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

The Committee shall:

- 3.1.1 Identify persons who are qualified to become Directors and Key Managerial Personnel (KMP) who may be appointed in accordance with the criteria laid down.
- 3.1.2 Recommend to the Board appointment and removal of Directors and KMP and shall carry out evaluation of every director's performance.
- 3.1.3 Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.4 Recommend to the Board a policy, relating to the remuneration for the Directors and Key Managerial personnel and other employees.
- 3.1.5 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.

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

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

3.2.1. 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.

3.2.2. 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.

3.2.3. 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.

3.2.4. 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.

3.2.5. Evaluation

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

3.2.6. 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.

3.2.7. 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.

3.3 Policy relating to the Remuneration for the Whole-time and Director.

3.3.1. 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 & 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.

3.3.2. 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 ₹10,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

4. Membership

- 4.1 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.
- 4.2 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.
- 4.3 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.
- 4.4 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.

5. Frequency of the meetings

The Committee shall meet at such times so as to enable it to carry out its powers, functions, roles & responsibilities.

6. Committee Members' Interests

- 6.1 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.
- 6.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. 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.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[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 2015, 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, 2015 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 and Handling) Rules, 2011;
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

We have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:-

1. *The Company was required to appoint an Internal Auditor within six months of the commencement of Companies Act, 2013 i.e. within six months from 1st April, 2014. However, as*

per the representation received from the management, Company has appointed Internal Auditors at the Board Meeting held on 14.02.2015 and they are in the process of filing of form MGT-14.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 as listed in Annexure I.

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. (As mentioned above and listed in Annexure I)

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

14th August 2015
Mumbai

Pramod Shah-Partner
Pramod S. Shah & Associates
FCS No.: 334
C. P. No.: 3804

Form No. AOC-2

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

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

1. **Details of material contracts or arrangement or transactions not at arm's length basis: Not Applicable**
2. **Details of material contracts or arrangements or transactions at arm's length basis: NIL**

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2014-15

(As required under Clause 49 of the Listing Agreement with the Stock Exchange)

The Directors present the Company's report on Corporate Governance for the financial year ended March 31, 2015.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target. The Corporate Governance philosophy of M/s. Eco Recycling Limited is based on the following principles:

1. Management must have the executive freedom to drive the enterprise forward without undue restraints and Management is the trustee of the shareholders capital and not the owner. This freedom of management should be exercised within a framework of effective accountability.
2. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer centric focus.

3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.
6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.
8. Our philosophy on Corporate Governance is thus concerned with the ethics, values and morals of Eco Recycling Limited and its Directors,

who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

2. BOARD OF DIRECTORS:

Eco Recycling Limited has a very balanced and diverse Board of Directors, who actively participates at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues.

a. Composition of the Board

The name and category of Director on the Board and the number of Directorship held by them in other Company are given herein below:

Sr. No.	Name of Directors	Category	No. of Directorships in each Companies		No. of Membership/ Chairmanship of other Company Board Committees	
			Public#	Private	Member	Chairman
1.	Mr. Raghavendra Rao Turlapati	Non-Executive Director and Independent Director	1	2	-	-
2.	Mr. Brijkishor Kishangopal Soni	Managing director, Chairperson and Executive Director	-	5	-	-
3.	Mrs. Aruna Soni	Executive Director	-	4	-	-
4.	Mr. Srikrishna Bhamidipati	Non-Executive Director and Independent Director	1	1	-	-
5.	Mr. Shashank Soni	Executive Director	-	2	-	-
6.	Mr. Vijay Jagannath Acharya	Non-Executive Director and Independent Director	1	-	-	-

The above composition is consistent with the relevant provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.

b. Attendance at Board Meeting and Annual General Meeting :-

During the financial year 2014 - 15, 5 Board Meetings were held on 30th May, 2014, 14th August, 2014, 02, September, 2014, 14th November, 2014 and 14th February, 2015

The Annual General Meeting of the Company for the financial year 2013 - 14 was held on 30/09/2014.

Attendance at Board Meeting and last Annual General Meeting:-

Name of Directors	No. of Board meetings held during the year/tenure	No. of Board Meetings attended	Attendance at last AGM
Mr. Raghavendra Rao Turlapati	5	5	Present
Mr. Brijkishor Kishangopal Soni	5	5	Present
Mrs. Aruna Soni	5	5	Present
Mr. Srikrishna Bhamidipati	5	5	Present
Mr. Shashank Soni	5	5	Present
Mr. Vijay Jagannath Acharya	1	0	N.A

c. Board's Functioning & Procedures: -

The Board has complete access to any information within the Company. At meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval,
- Minutes of Meetings of Audit Committee, Stakeholders relationship Committee /Share Holders Grievance Committee and Nomination and Remuneration Committee.
- Abstracts of circular resolutions passed,
- General notices of interest,
- Sale and/or purchase of investments, fixed assets,
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any,
- Related party transactions,
- Reviewing the Company's Financial,

ECO RECYCLING LIMITED

- Reviewing the business plan and strategy of the Company,

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

The Minutes of the Meetings of the Board are circulated to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's relationship Committee / Shareholders' Grievance Committee are also circulated to all Directors and thereafter tabled for discussion at the subsequent Board Meeting.

3. AUDIT COMMITTEE:

Audit committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures.

a. Size and Composition:-

The composition of the Audit Committee as on March 31, 2015 is as under:-

1. Mr. Srikrishna Bhamidipati, Non-Executive Independent Director as Chairman;

2. Mrs. Aruna Soni, Executive Director as Member;
3. Mr. T. R. Rao, Non-Executive Independent Director as Member;

The Members of the Committee are well versed in finance / accounts, legal matters and general business practices.

b. Attendance at the Audit Committee Meetings:-

During the accounting year 2014 - 15, 4 Audit Committee Meetings were held on 30th May, 2014, 14th August, 2014, 14th November, 2014 and 14th February, 2015.

Name of Members	Designation	Category of Director	Nos. of meetings Held	Nos. of meetings attended
Mr. Srikrishna Bhamidipati	Chairman	Non-Executive Independent Director	4	4
Mrs. Aruna Soni	Member	Executive Director	4	4
Mr. T. R. Rao	Member	Non Executive – Independent Director	4	4

c. The terms of reference and functions 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 to be included in 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;
 - 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;
 - The vigil mechanism under sub-section (9) 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:
 - The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) 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;
 - b) To seek information from any employee;
 - c) To obtain outside legal or other professional advice;
 - d) 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 Members and confirmed at the subsequent Meeting.

4. NOMINATION AND REMUNERATION COMMITTEE:

The purpose of the Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Executive Directors.

a. Size and Composition:-

The Board 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.

The composition of the Nomination and Remuneration Committee as on March 31, 2015 is as under:-

1. Mr. Srikrishna Bhamidipati, Non- Executive Independent Director was appointed as a

Chairman of the Nomination and Remuneration Committee;

2. Mr. Raghavendra Rao Turlapati, Non-executive Independent Director as Member of the Nomination and Remuneration Committee;
3. Mrs. Aruna Soni, Executive Director was appointed as a Member of the Nomination and Remuneration Committee.
4. Mr. Vijay Acharya Non-executive Independent Director as Member of the Nomination and Remuneration Committee.

b. The terms of reference of the Nomination and Remuneration Committee include the following:-

- 1) 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 of the directors, key managerial personnel and other employees;
- 2) To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- 3) To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate

incentives to encourage, enhance performance, retain and are, in a fair and responsible manner rewarded for their individual contributions to the success of the Company;

- 4) To review the ongoing appropriateness and relevance of the remuneration policy;
- 5) To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- 6) To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive Directors and other senior executives and the performance targets to be used;
- 7) To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the company's standard form contract for executive directors from time to time;
- 8) To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the directors, key managerial personnel and other employees.

c. Attendance at the Nomination and Remuneration Committee Meetings:-

Name of Members	Designation	Category of Director	Nos. of meetings held	Nos. of meetings attended
Mr. Srikrishna B	Chairman	Non-Executive Independent	1	1
Mr. Raghavendra Rao Satya Veera Venkata Turlapati	Member	Non-Executive Independent	1	1
Mrs. Aruna Soni	Member	Executive Director	1	1
Mr. Vijay Acharya	Member	Non-Executive Independent	-	-

d. Disclosure of Remuneration paid :-

At present, Non-executive and Independent Directors has paid remuneration and sitting fees for attending Board Meetings/Audit Committee Meetings/ Remuneration Committee Meetings.

Details of remuneration paid to Directors during the financial year ended March 31, 2015 are as under:

Name of Directors	Remuneration including Salary and Perquisite	Sitting Fees	Total
Mr. Srikrishna B	-	-	-
Mr. Raghavendra Rao Satya Veera Venkata Turlapati	-	-	-
Mrs. Aruna Soni	6,00,000	-	6,00,000
Mr. Vijay Acharya	-	-	-

e. Nomination & Remuneration Policy:-

In terms of Section 178 of the Companies Act, 2013 and the Listing Agreement, entered into by the Company with Stock Exchanges, as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), 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 acts as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE / SHAREHOLDERS' GRIEVANCE COMMITTEE:

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

a. Size and Composition:-

The Company constituted Shareholders Grievance Committee, which was renamed as Stakeholder's Relationship Committee in the year 2014 to specifically look into the redressed of the Stakeholder's grievances and also the share transfers and other investor related matters.

The composition of the Shareholders Grievance Committee as on March 31, 2015 is as under:-

1. Mr. Srikrishna Bhamidipati, Non-Executive Independent Director as Chairman;
2. Mrs. Aruna Soni, Executive Director as Member;
3. Mr. Raghavendra Rao Turlapati, Non-Executive Independent Director as Member;

Ms. Anita Choudhari has been designated as the Compliance Officer of the Company with effect from 12th April, 2012.

b. Meeting of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings:-

During the accounting year 2014 - 2015, 1 Meeting of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee were held on 14th August, 2014

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

- Transfer /Transmission of shares,

- Issue of duplicate share certificates,
- Review of shares dematerialized and all other related matters,
- Monitors expeditious redressal of investors' grievances,
- Non receipt of Annual report and declared dividend,

- All other matters related to shares.

d. Investor Grievance Redressal:

Number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	No. of complaints
Non Receipt of Annual Reports	-
Non Receipt of Dividend Warrants	-
Non Receipt of Shares lodged for Transfer/Exchange	-
Non Receipt of Certificates	-
Others (Duplicate/Transmission/Procedure etc.)	-
TOTAL	-

All valid share transfers received during the accounting year ended March 31, 2015 have been acted upon. There were no share transfers pending as on March 31, 2015, for more than 30 days.

The Shareholders Grievance Committee/Stakeholders Relationship Committee continued to function effectively and held one meeting during the year under review. It continued to attend the matters related to Share Transfers and redressal of Shareholders' complaints. The complaints and grievances of shareholders received were duly attended by the Committee and as of now no complaints are pending.



e. Attendance at the Nomination and Remuneration Committee Meetings:-

Name of Members	Designation	Category of Director	Nos. of meetings held	Nos. of meetings attended
Mr. Srikrishna B	Chairman	Non-Executive Independent	1	1
Mr. Raghavendra Rao Satya Veera Venkata Turlapati	Member	Non-Executive Independent	1	1
Mrs. Aruna Soni	Member	Executive Director	1	1

6. GENERAL BODY MEETINGS:

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

Financial Year	Day and Date	Location	Time
2011-2012	Thursday 30th August, 2012	Tunga International, Next to Udyog Sarathi, MIDC, Andheri (East), Mumbai - 400093	10:00 A. M.
2012-2013	Monday 30th September, 2013	All India Plastic Manufacturer Association, Street No. 1, MIDC, Andheri (East), Mumbai:- 400 059	10:00 A. M.
2013-2014	Tuesday 30th September, 2014	All India Plastic Manufacturer Association, Street No. 1, MIDC, Andheri (East), Mumbai:- 400 059	10:00 A. M.

b. Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during the year.

c. Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

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

7. Familiarisation Programmes for Independent Directors

The details of the familiarisation programme for Independent Directors have been provided in the Director's Report.

8. Evaluation of Board and Committee

The Companies Act 2013, rules thereunder and the Listing Agreement provide that the Annual Report of the Company shall disclose the following:

- Manner in which formal performance evaluation of the Board, its Committees, and Individual Directors has been carried out;

- Evaluation criteria.

The details of evaluation of Board, Committee(s) and Chairman of the Board have been provided in the Directors' report.

9. DISCLOSURES:

- There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- The Company has complied with the requirements of the Bombay Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and Statutory Authorities on all matters related to capital markets and no penalties / strictures were imposed on the Company during the last three years.
- Pursuant to Clause 49 of Listing Agreement and Companies Act, 2013, the Company has in place an adequate and functional vigil mechanism i.e. Whistle Blower Policy for directors, employees and others to report genuine concerns. Further no one has been denied access to the Audit Committee.
- Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement, as applicable. Though the Company does not comply with some of the non-mandatory requirements on date, the Company is committed towards complying with Clause 49 as a whole and will take suitable measures as and when possible.

- During the Financial Year 2014-15, requisite information as mentioned in Clause 49 of the Listing Agreement has been placed before the Board for its consideration.
- The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

10. MEANS OF COMMUNICATION:

- The Quarterly and Half-Yearly results of the Company are published in English and Marathi National dailies. The Financial results are also displayed on the website of the Company www.ecoreco.com
- The Management Discussion and Analysis Report forms a part of this Annual Report, which is sent to each member by post.

11. GENERAL SHAREHOLDER INFORMATION:

I. Annual General Meeting:

- Date: 26th September, 2015
- Time : 11.00 a.m.
- Venue: Eco House Near Range Office, Sativali Road, Vasai (East), Dist. Thane

II. Financial Calendar : 2014-2015

- Financial Calendar

Quarter ending June 30, 2014	By 14 th August, 2014
Quarter/Half year ending September 30, 2015	By 14 th November, 2014
Quarter ending December 31, 2014	By 14 th February, 2015
Quarter/Year ending March 31, 2015	By 30 th May, 2015

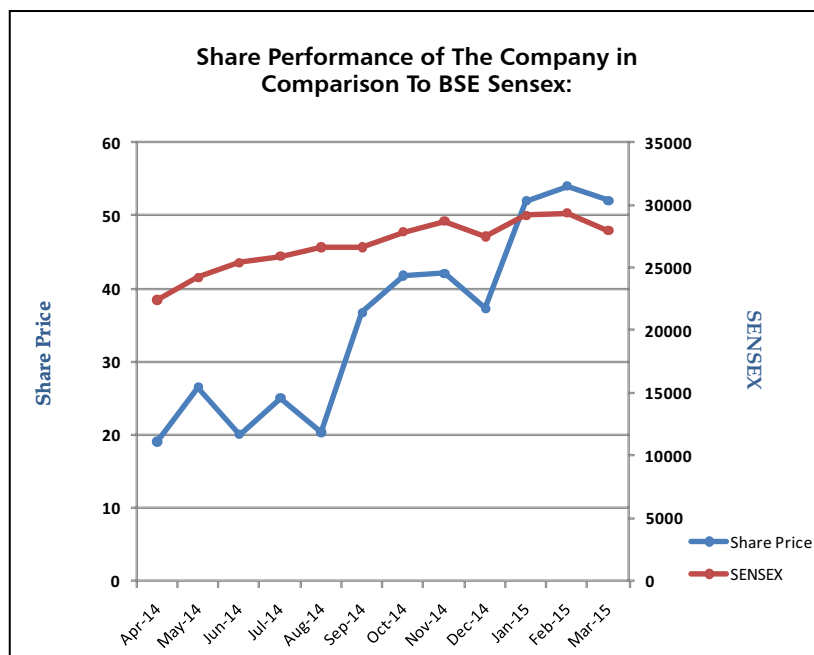
- Date of Book Closure: 19th September, 2015 to 26th September, 2015 (both days inclusive).
- Dividend Payment: NIL

III. Market information

- Listing on Stock Exchange : The Bombay Stock Exchange Limited
- Listing fee for the year 2014-15 has been paid to the Stock Exchange.
- Stock Code- Physical : 530643 on The Bombay Stock Exchange Limited
- ISIN No. NSDL & CDSL: INE316A01038
- Market Price Data : High / Low price during each Month of 2014-15 on The Bombay Stock Exchange Limited and BSE Sensex are as under:

- Corporate Identification No.: L74120MH1994PLC079971

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Apr-14	20.70	20.70	19.00	19.05	1,051	11	21,004	1,051	100.00	1.70	-1.65
May-14	19.35	26.90	18.05	26.50	3,12,758	609	71,45,803	2,95,062	94.34	8.85	7.15
Jun-14	26.50	31.50	20.00	20.00	63,260	286	16,38,132	62,089	98.15	11.50	-6.50
Jul-14	20.95	26.50	19.20	25.00	34,635	173	8,21,314	34,331	99.12	7.30	4.05
Aug-14	23.80	28.40	19.85	20.35	12,666	201	2,96,362	11,645	91.94	8.55	-3.45
Sep-14	22.00	40.50	18.55	36.70	1,68,921	1,291	57,45,508	1,30,329	77.15	21.95	14.70
Oct-14	36.45	53.00	27.00	41.75	1,28,575	1,418	58,13,771	1,01,345	78.82	26.00	5.30
Nov-14	40.65	51.00	37.55	42.05	1,34,236	1,061	57,65,819	1,06,820	79.58	13.45	1.40
Dec-14	38.30	43.95	33.10	37.30	68,703	769	26,32,938	49,785	72.46	10.85	-1.00
Jan-15	37.50	57.95	32.50	52.00	1,96,313	1,814	1,00,18,798	1,36,106	69.33	25.45	14.50
Feb-15	48.75	61.80	42.15	54.00	55,335	937	27,78,796	45,262	81.80	19.65	5.25
Mar-15	62.00	62.00	42.00	52.05	41,712	616	21,17,579	35,994	86.29	20.00	-9.95



Performance of The Company in Comparison To BSE Sensex:

Months	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Share Price	19.05	26.5	20	25	20.35	36.7	41.75	42.05	37.3	52	54	52.05
Sensex	22417.8	24217.34	25413.78	25894.97	26638.11	26630.51	27865.83	28693.99	27499.42	29182.95	29361.5	27957.49

IV. Share Transfer System and other related matters:

- Registrar and Share Transfer Agent:

For both physical & demat segments: Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (E), Mumbai - 400072

Tel. No.: +91 22 28470652/53

Fax No.: +91 22 28475207

Email: investor@

bigshareonline.com

Web: www.bigshareonline.com

- Share Transfer System:

The shares lodged for transfer are processed by the Registrar and Share Transfer Agent and are approved by Stakeholder's

Relationship Committee / Shareholders' Grievance Committee . Shares sent for transfer in physical form are registered and returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. Similarly, all requests for demat are received and processed by the Registrar and Transfer Agent and confirmations given to the depositories within the prescribed time limit.

- 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.

- 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 Pvt. Ltd. E-2, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (E), Mumbai – 400072

Tel. No.: +91 22 28470652/53

Fax No.: +9122 28475207

Email: investor@bigshareonline.com

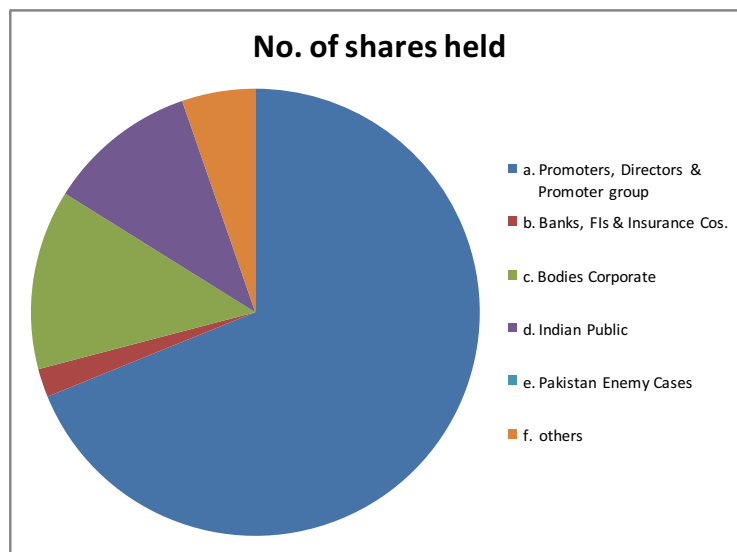
Web: www.bigshareonline.com

- Distribution of Share holding as on March 31, 2015:

NO. OF EQUITY SHARES HELD	NO. OF SHARE-HOLDERS	% OF SHARE-HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDING
1 - 500	2,900	89.42	444,753	2.53
501 - 1000	165	5.09	134,884	0.76
1001 - 2000	69	12.13	106,692	0.60
2001 - 3000	32	0.98	81,717	0.46
3001 - 4000	13	0.40	44,462	0.25
4001 - 5000	13	0.40	62,651	0.35
5001 - 10000	16	0.49	120,524	0.68
10001 AND ABOVE	35	1.07	16,546,817	94.32
TOTAL	3,243	-	1,754,2500	100.00

Shareholding Pattern as on 31.03.2015:

Category	No. of shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	12077515	68.85
b. Banks, FIs & Insurance Cos.	360800	2.06
c. Bodies Corporate	2281322	13
d. Indian Public	1895009	10.8
e. Pakistan Enemy Cases	NA	NA
others	927854	5.29
Total	17542500	100



• Dematerialization of Shares:

The Shares of the Company can be held and traded in electronic form. As on March 31, 2015, 17,171,528 of total shares of the Company were held in demat form.

Break up of shares in physical and demat form as of 31st March, 2015:

No. of Share	Percentage of Shares
Physical Segment	2.11
Demat Segment:	-
NSDL	41.91
CDSL	55.98
Total	100.00

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

- Plant Location: Eco House, Near Range Office, Bhoidapada, Sativali Road, Vasai (East), Dist. Thane Address for Correspondence: ECO RECYCLING LIMITED 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri (East). Mumbai: - 400 059 Fax: +91 22 40052951/52/53 Email: info@infotreksys.com Website: www.ecoreco.com

12. CODE OF CONDUCT:

Pursuant to Clause 49 of the Listing Agreement, the Board of Directors has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2014-15. A declaration to this effect signed by the Executive Director is given in this report.

13. CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

The Code of Conduct for Independent Directors ('Code') has been adopted by the Company to comply with the Section 149, read with Schedule IV under the Companies Act, 2013 ('Act') and such other rules and regulations as applicable.

The Code is a guide to professional conduct for Independent Directors. It is believed that adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators in the institution of independent directors.

Further pursuant to the provisions of Act and the Listing Agreement, Independent Directors of the Company hold at-least one meeting in a financial year without

attendance of Non-Independent Directors and the members of the Management. The said meeting was held on 14th A.

14. POLICY ON PROHIBITION OF INSIDER TRADING

The Company has in place a Code of Conduct for Prohibition of Insider Trading and Code for Fair Disclosure ('the Code') pursuant to Section 195 of the Companies Act, 2013, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Company has instituted reporting system to prevent insider trading by employees, as applicable, and also takes periodic disclosures from them as stipulated in the said Code of Conduct. Further, Company has put in place a 'Pre-

Intimation / Pre-Clearance of Trade' mechanism which makes it mandatory for all the designated employees to pre-intimate / obtain prior approval, before dealing in Company's securities, depending upon respective minimum threshold limit set out in the said Code. Pursuant to the Code, all the designated employee(s) of the Company are also required to inform his/her shareholding in the Company, if any, as on the date of joining, being promoted to the designation, subject to the Insider Trading Code and at the time of leaving the organisation. The Code of Conduct also provides for post transaction disclosure(s) based on which the Company makes filing with the Stock Exchange(s), pursuant to the relevant SEBI Regulations.

15. CEO/ CFO CERTIFICATION:

As required by Clause 49 of the Listing Agreement the CEO/CFO Certificate is provided in the Annual Report.

16. TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES:

In compliance with the SEBI (Prevention of Insider Trading) Regulations, 1992, our Company has appointed Ms. Anita Choudhari as the Compliance Officer who is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The Company has adopted a Code of Conduct for Prevention of Insider Trading.

17. DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER CLAUSE 49 VIII E (1) OF THE LISTING AGREEMENT:-

In accordance with the provisions of Section 152 of the Companies Act, 2013, one-third of the total number of Directors for the time being is liable to retire by rotation. Accordingly one Directors of the Company viz. Mrs. Aruna Soni will be retiring by rotation at the ensuing Annual General Meeting of the Company. Mrs. Aruna Soni, being eligible, offers herself for re-appointment and Mr. Vijay Acharya was appointed as Additional Independent Director on 8th January, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry

Organized e-waste recycling is an established industry overseas; it is a phenomenon that is still gaining currency in India. We are really proud to share that your company is playing a very significant role in establishing scientific e-waste recycling system in the country. Your company noted three major challenges associated with the transformation of this segment in India, namely Training of Unorganized Players, Take Back Mechanism for the end of life equipment from the end user and Treatment of E-waste in a scientific manner. We are further proud to share that your company has taken several steps in all these areas to plug the gap.

E-waste recycling has traditionally been an informal industry in India dominated by a very entrepreneurial but unorganized, commonly known as Kabadies. To transform them, your company is working on the plans of skill development to part with the better practices and to protect their business interest; your company has drawn a nation-wide plan of engaging their services for collecting and dismantling. With the Indian economy having registered a sustained growth rate of eight percentages points-plus in the past, changing economic trends have resulted in a significant rise in the disposable incomes and the rise of an Indian consumer with a greater propensity to spend. This has translated into a massive demand for electronic equipment, television sets, air-conditioners, washing machines, fridges, cellular phones, etc.

b) Waste & Recycling industry facts

India generates close to 3.2 million MT of e-waste annually consisting of various metals, plastics, glass worth about 3 billion USD. It may be very encouraging for you to know that these numbers are expected to touch 20 million MT/PA and 20 billion USD by 2020 i.e. equal to ₹125,000 Crore based on the present conversion rate of USD and commodities in the e-waste.

It is equally interesting to know that this industry is now regulated under E-waste (M&H) Rules, 2011 and as per the requirements of the Rules, the generators of e-waste are required to give their e-waste to a registered recycler only. Besides this, all the producers of electronic and other equipment covered in the list of items appended with the Rules are supposed to set up collection centers and collect back end of life products from the end user for organized recycling.

Your company is gearing up to avail this opportunity in a big way both organically and otherwise.

c) Strength, Weakness, Opportunities & Treats Strengths

- Awareness amongst e-waste generators is increasing
- Global demand for raw materials is driving the growth of the recycling industry
- Rising commodity prices result in increased profitability in recycling
- It is now mandatory to dispose e-waste with the registered recyclers only

- Rules & Regulation are becoming stricter from compliance point of view
- Extended Producers' Responsibility (EPR) is in force under the Rules, makes it mandatory for the OEMs to collect back end of life equipment for recycling.
- With the RoHS in place there is greater discard of e-waste for recycling
- Ecoreco has a very strong Brand Image and client base
- Ecoreco has several innovation at its credit and winners of several awards for its innovation & efforts.

Weaknesses

- Traditional disposal by Kabadies has not been completely addressed
- Consumers prefers exchange model and the dealers generally sale these waste to Kabadies
- Several E-waste management companies are getting registered without basic infrastructure in place
- A lot is yet to be done for the awareness amongst non-corporate users
- Lack of respect for the environment & ecology
- Lack of financial support by the Government to the serious recyclers
- Lack of exemption from taxes & duties

- Love & affection with the equipment even after the same has become useless and probably the value it may fetch.

Opportunities

- EPR with Targets to collect back end of life products.
- Deposit Refund Scheme to promote recycling is a welcome step.
- Swachh Bharat Mission by 2nd Oct, 2019 is another major driver.
- Landfill disposal of e-waste is an unacceptable model and also significantly expensive in comparison to recycling.

Threats

- Insufficient resources to enforce Rules and also lack of financial and legal penalties for non-compliance.
- Insufficient capital investments in processing equipment and training.
- Generators have too many methods / ways to circumvent the intent of control regulations, which undermines the integrity of the processes.
- Fluctuating commodity prices.

Risk Management

Risk is an important element of corporate functioning and governance. Your Company has established the process of identifying, analyzing and treating risks, which could prevent the Company from effectively achieving its objectives. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

Internal Control System

The Company has designed an effective Internal Control System to balance the financial, operational, compliance and other risks and explore its business opportunities at the fullest to achieve its desired objectives.¹² Financial performance with respect to operational performance:

The turnover of the Company has increased from ₹2545.52 lacs for the year ended 31st March, 2014 to ₹3140.64 lacs for the year ended 31st March, 2015.

Human Resources:

People are the most valued assets of the Company. They work individually and collectively contributing to the

achievement of the objectives of the business. The relation between the employees and the Company had been remained cordial throughout the year. Your Company's corporate culture and the vision and values help unite the workforce and provide standards for how your Company conducts the business.

Code of Conduct:

The Board of Directors has prescribed norms of ethical practices and code of conduct for the Directors of the Company. The code of Conduct of the Company lays down the principles, values, standards and rules of behaviour that guide the decisions, procedures and systems of the Company in a way that:-

- (a) It contributes to the welfare of its stakeholders, and
 - (b) Respects the rights of all constituents affected by its operations.
- The Code of Conduct is reviewed from time to time by the Board.



COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement (s)

The Members, Eco Recycling Limited

We have examined the compliance of conditions of Corporate Governance by Eco Recycling Limited for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For Pramod S. Shah & Associates
Practicing Company Secretaries

Pramod S. Shah - Partner
CP No. 3804

14th August 2015
Mumbai

CHIEF EXECUTIVE OFFICER (CEO) and CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Brijkishor Soni, Chairman & Managing Director and Anita Choudhari, Compliance Officer of ECO RECYCLING LIMITED, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement of Eco Recycling Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing

accounting standards, applicable laws and regulations.

- 2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- 3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- 4. We have indicated to the Auditors and the Audit Committee:

- (i) that there are no significant changes in internal control over financial reporting during the year;
- (ii) that there are no significant changes in accounting policies during the year; and
- (iii) that there are no instances of significant fraud of which we have become aware.

5. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

B. K. Soni

CMD

14th August 2015

Anita Choudhari

Compliance Officer

Mumbai

INDEPENDENT AUDITORS' REPORT

To
 The Members of,
 Eco Recycling Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **ECO RECYCLING LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31st, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We have conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Qualified Opinion:

- 1) During the year 2014-15, the Company has not revised the useful life of the Fixed Assets as required by Schedule – II of the Companies Act, 2013, as a result its impact on the Balance Sheet and Statement of Profit and Loss account is unascertainable.
- 2) Company has not complied with the requirement of Gratuity as required under AS-15 and has not made any provision for the same, as a result its impact on the Balance Sheet and Statement of Profit and Loss account is unascertainable.
- 3) We draw attention to Note 33 of the Notes forming part of financial Statements regarding method of accounting of miscellaneous expenditure which are in our opinion is not in accordance with the Accounting Standard 26 "Intangible Assets" aggregating to ₹ 3,919,517.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us **except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above**, the financial statements give the information required by 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 of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter:

We draw attention of the management to the following observations without qualifying our opinion:

- 1) We draw attention to Note 31 of the Notes forming part of the Financial Statements regarding holding of equity shares which are currently

not being reflected in the Company's De-mat account due to a dispute with "Keynote Capital Limited" and hence Company has not accounted the loss of ₹213.39/- Lacs which is considered as fully recoverable by the Management. The Company has assessed the recover ability of these claims based on legal advice. Considering the Contractual tenability and legal advice from Company's counsel in the matter, the management is confident of recovery of the same. In view of significant uncertainty, the amount of loss for eventual non-recovery of claim made by the company, if any is presently not ascertainable.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) **Except for the effects of the matter described in the basis for qualified opinion paragraph above,** In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) **Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above,** in our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.

3. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position
 - (ii) The Company does not anticipate any material foreseeable losses, on long- term contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Mumbai
May 30, 2015

For GMJ & Co
Chartered
Accountants
Firm Reg. 1034292w
CA P. Somani
Partner
Membership No. 40637



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- | | | |
|--|--|---|
| <p>i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.</p> | <p>information and explanations given to us, no major weakness has been noticed in the internal controls.</p> | <p>(b) According to the information and explanations given to us, there have been no disputed dues which have not been deposited in respect of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess as at 31st March, 2015.</p> |
| <p>ii. (a) In our opinion, physical verification of inventory lying with the company has been conducted at reasonable intervals by the management.</p> <p>(b) In our opinion, the procedures of physical verification of inventory followed by the management are adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company has maintained proper records of inventory. No material discrepancies have been noticed on physical verification between physical stock and book records.</p> | <p>v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.</p> | <p>(c) Provisions of this clause are not applicable to the company.</p> |
| <p>iii. The Company has not granted loans, secured or unsecured to a firms, companies or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence the provisions of clause (iii) (a) and (b) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.</p> | <p>vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.</p> | <p>viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.</p> |
| <p>iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets, purchase of inventory, sale of inventory and sale of services. Further, on the basis of our examination of the books and records of the Company and according to the</p> | <p>vii. (a) According to the information and explanation given to us and on the basis of our examination of our records of the Company amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities except for profession tax amounting to ₹22,100.</p> <p>According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except for profession tax amounting to ₹ 22,100.</p> | <p>ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any outstanding dues to banks during the year.</p> <p>x. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loan taken by others from bank or financial institutions during the period covered by audit.</p> <p>xi. In our opinion and according to the information and explanations given to us, the company has applied the term loans taken during the year for the purpose for which they have been taken.</p> <p>xii. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.</p> |

Mumbai
May 30, 2015

For GMJ & Co
Chartered Accountants
Firm Reg. 103429w
CA. P. Somani
Partner
Membership No. 40637

BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	Note No.	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	2	175,425,000	175,425,000
b) Reserves and Surplus	3	133,802,888	138,064,095
		<u>309,227,888</u>	<u>313,489,095</u>
2) Non-Current Liabilities			
a) Long-Term Borrowing	4	104,199,312	97,270,290
b) Deferred Tax Liability (Net)	5	3,755,357	3,027,509
		<u>107,954,669</u>	<u>100,297,799</u>
3) Current Liabilities			
a) Short-Term Borrowing	6	63,680,227	60,190,135
b) Trade Payables	7	67,849,493	101,986,811
c) Other Current Liabilities	8	80,632,624	15,721,816
d) Short Term Provisions	9	1,992,129	759,753
		<u>214,154,473</u>	<u>178,658,515</u>
Total		<u>631,337,030</u>	<u>592,445,409</u>
ASSETS			
1) Non-Current Assets			
a) Fixed Assets	10		
i) Tangible Assets		75,871,018	78,758,108
ii) Intangible Assets		58,109,660	70,616,177
iii) Capital work in progress		75,177,399	77,313,572
		<u>209,158,077</u>	<u>226,687,857</u>
b) Non-Current Investments	11	66,278,085	57,283,775
c) Long-Term Loans and Advances	12	33,081,288	28,498,946
d) Other Non-Current Assets	13	4,400,554	6,830,122
		<u>312,918,003</u>	<u>319,300,700</u>
2) Current Assets			
a) Inventories	14	85,068,182	78,096,498
b) Trade Receivables	15	164,600,130	124,389,429
c) Cash and cash equivalents	16	1,406,517	442,763
d) Short-Term Loans and Advances	17	64,876,229	67,636,911
e) Other Current Assets	18	2,467,968	2,579,108
		<u>318,419,025</u>	<u>273,144,709</u>
Total		<u>631,337,030</u>	<u>592,445,409</u>

Notes forming part of the financial statements No. 1-41

As per our report of even date

For GMJ & Co

Chartered Accountants

FRN No. 103429W

CA. P. Somani (Partner)

M No.40637

Mumbai | 30th May 2015

For and on behalf of the Board

B K Soni (Chairman & Managing Director)

Srikrishna B. (Director)

Shashank Soni (Executive Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	2014-15 (Amount in ₹)	2013-14 (Amount in ₹)
INCOME			
a) Revenue from Operations	19	309,560,522	254,552,482
b) Other Income	20	4,503,060	33,751,976
Total		<u>314,063,582</u>	<u>288,304,458</u>
EXPENSES			
a) Purchase of Stock-in-Trade	21	256,929,749	235,774,911
b) Changes in inventories of Stock-in-Trade	22	(6,971,684)	(1,064,731)
c) Employee Benefits Expense	23	13,791,578	13,329,602
d) Finance Costs	24	8,505,556	8,661,051
e) Other Expenses	25	26,444,461	23,596,327
f) Depreciation and Amortization Expense	10	2,887,091	2,858,331
Total		<u>301,586,756</u>	<u>283,155,491</u>
Profit Before Tax		12,476,831	5,148,967
Tax expense:			
-Current tax		2,400,000	1,010,000
-Earlier Year tax		-	11,540
-Deferred tax		727,849	1,141,653
Profit for the year		<u>9,348,982</u>	<u>2,985,774</u>
Earnings per equity share: (face value of ₹10/-)	40		
Basic and Diluted		0.53	0.17

Notes forming part of the financial statements No. 1-41

As per our report of even date

For GMJ & Co

Chartered Accountants

FRN No. 103429W

CA. P. Somani (Partner)

M No.40637

Mumbai | 30th May 2015

For and on behalf of the Board

B K Soni (Chairman & Managing Director)

Srikrishna B. (Director)

Shashank Soni (Executive Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	Year ended 31.03.2015 (Amount in ₹)	Year ended 31.03.2014 (Amount in ₹)
A Cash Flow from Operating Activities		
Net Profit before Tax	12,476,831	5,148,967
Depreciation	2,887,091	2,858,331
Interest Expenses	8,505,556	8,436,331
Interest Income	(48,854)	(363,749)
Dividend Income	(25,211)	(57,726)
(Profit)/Loss on sale of Investment	3,077,447	(630,749)
Miscellaneous balance Written Back	(1,857,079)	(197,975)
Deferred Revenue Expenditure	2,579,100	2,227,832
Operating Profit before Working Capital Changes		
Adjusted For:		
(Increase)/Decrease in Trade receivable	(40,210,702)	(50,628,800)
(Increase)/Decrease in Inventories	(6,971,684)	1,097,766
(Decrease)/Increase in Trade Payable	(34,137,318)	42,182,934
(Decrease)/Increase in Other Current Liabilities	64,910,808	(51,560,963)
(Decrease)/Increase in Short Term Provisions	3,323,210	(596,682)
(Increase)/ Decrease in Short term Loans & Advance	2,760,683	(21,002,505)
(Increase)/ Decrease in Long term Loans & Advance	(4,582,343)	59,317,736
(Increase)/ Decrease in Other Non-Current Assets	(2,429,568)	(173,526)
(Increase)/ Decrease in Other Current Assets	111,140	(308,378)
Net Cash generated from Operations	10,369,107	(4,251,156)
Taxes paid	(352,909)	-
Net Cash generated from Operating Activities	10,016,198	(4,251,156)
B Cash Flow from Investing Activities		
(Increase)/Decrease in Fixed Assets, Capital WIP & Intangible Assets	1,031,690	(11,158,089)
(Increase)/Decrease in Non-Current Investments	(12,071,757)	(1,849,072)
Net receipt from sale proceeds of Investments	-	630,749
Interest Income	48,854	363,749
Dividend Income	25,211	57,726
Net Cash from Investing Activities	(10,966,002)	(11,954,937)
C Cash Flow from Financing Activities		
(Decrease)/Increase in Long Term Borrowings	6,929,022	(1,780,977)
(Decrease)/Increase in Short Term Borrowings	3,490,092	25,534,038

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2015 (Amount in ₹)	Year ended 31.03.2014 (Amount in ₹)
Interest Expenses	(8,505,556)	(8,436,331)
Net Cash Flow from Financing Activities	1,913,559	15,316,730
Net Increase in Cash and Cash Equivalent during the Year (A+B+C)	963,754	(889,364)
Cash and Cash equivalents at the beginning of the year	442,763	1,332,128
Cash and Cash equivalents at the end of the year	1,406,517	442,763
Cash and Cash Equivalents include:		
Cash in Hand	1,218,744	203,177
Balance with Scheduled Banks:		
- Current Account	187,773	239,586
Fixed deposit with original maturity period less than 3 months		
As margin money	-	-
	1,406,517	442,763

NOTES:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) 3 on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.

Notes forming part of the financial statements No. 1-41

As per our report of even date

For GMJ & Co

Chartered Accountants

FRN No. 103429W

CA. P. Somani (Partner)

M No.40637

Mumbai | 30th May 2015

For and on behalf of the Board

B K Soni (Chairman & Managing Director)

Srikrishna B. (Director)

Shashank Soni (Executive Director)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements:

The financial statements are prepared to comply in all material aspects under the Historical Cost convention and in accordance with generally accepted accounting principles in India and the mandatory Accounting Standards prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule- 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

1.2 Use of Estimates:

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent liabilities at that date of the financial statements and the result of operations during the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognised in the period in which results are crystallised.

1.3 Fixed Assets and Depreciation:

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and all attributable cost of bringing the asset to its working condition for its intended use. Depreciation on Fixed Assets has been provided on straight line method on pro-rata basis at the rates prescribed in Schedule XIV of the Companies Act, 1956.

1.4 Branding Expenses:

Brand building expenses have been

considered as intangible fixed asset and shown at actual cost. Branding expenses will be amortized over its useful life of assets, however, not exceeding a period of 10 years. The write off will commence from the year in which the branding exercise is completed.

1.5 Goodwill on Merger:

Pursuant to the court order on amalgamation, Goodwill is written off from the General Reserve. The same is done over a period of 5 years. The same is over in current financial year.

1.6 Revenue Recognition:

Revenue (income) is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- a) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects Sales Tax & Value Added Taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- b) Revenue from service charges are recognized pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- c) Interest Revenue is recognized

on a time proportionate basis taking into account the amount outstanding and the applicable interest rate.

- d) Dividend Income is recognized when the company's right to receive dividend is established.

1.7 Inventories:

Closing Stock are valued at cost and net realizable value, whichever is lower.

1.8 Investments:

Investment that are readily realizable and intended to be held for not more than a year from the date on which such investment are made are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investments basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.9 Retirement and Other Employee Benefits:

Retirement benefits in the form of provident fund and employee state insurance scheme are a defined contribution scheme. The contribution to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable towards provident fund and employee state insurance scheme.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

The company has paid the liability towards leave encashment at the year end as an when accrued to the company and does not provide any liability. The amount paid is charged to the Statement of profit and loss account.

1.10 Borrowing Costs:

Borrowing Costs include interest, incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

1.11 Foreign Exchange Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in th statement of profit and loss account.

1.12 Operating Leases:

- a) **Where the company is lessee**
Leases where significant portion of risk and reward of ownership are retained by the lesser are classified as operating leases and lease rental thereon are charged to statement of profit and loss.
- b) **Where the company is the lessor**
Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assest subject

to operating lease are included in fixed assets (Facility Land). Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term.

1.13 Finance Lease:

Finance Lease or similar arrangements, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed under Tangible Assets. Finance Expenses to the extent of Borrowing cost are capitalized and remaining are charged to statement of profit and loss account.

1.14 Research and Development Expenditure:

Research costs are expensed as incurred. Development expenditure incurred on a project is recognized as an intangible asset where the company can demonstrate the criteria laid down in AS-26 for recognition of an Intangible Asset.

1.15 Taxes on Income:

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable/ recoverable in respect of the taxable income/ loss for the reporting period.

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of The Income Tax Act, 1961.

Deferred Tax represents the effect of "timing differences" between taxable income and accounting income for the reporting period that originate

in one period and capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognized only on reasonable certainty of realization and on unabsorbed depreciation and brought forward losses only on virtual certainty.

1.16 Provisions and Contingencies:

A provision is recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it is not probable that outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

1.17 Earning Per Share:

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

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

1.18 Cash and Cash Equivalents:

Cash and Cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
2 Share Capital		
Authorized		
30,000,000 Equity Shares of ₹10/- each	<u>300,000,000</u>	<u>300,000,000</u>
Issued, Subscribed and Paid up		
17,542,500 (Previous Year 17,542,500) Equity Shares of ₹10/- each fully paid up	<u>175,425,000</u>	<u>175,425,000</u>
Total	<u>175,425,000</u>	<u>175,425,000</u>
a) 11,342,500 (P.Y.11,342,500) Equity Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the schemes of amalgamation of Eco Recycling Limited and Infotrek Syscom Limited without payments being received in cash.		
b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:		
Equity Shares	As at 31st March, 2015	As at 31st March, 2014
	Number of Shares	Number of Shares
At the beginning of the year	17,542,500	17,542,500
Shares Issued during the year	-	-
Outstanding at the end of the year	<u>17,542,500</u>	<u>17,542,500</u>
c) Terms / rights attached to equity shares		
The Company has only one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.		
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the shareholders.		
d) Shares held by Holding Company		
Ecoreco Ventures Private Limited, the holding company		
91,39,250 (P.Y. 91,39,250) Equity Shares of ₹10/- each fully paid up	91,392,500	91,392,500
e) Details of Shareholders holding more than 5 % shares in the Company		

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)		31.03.2014 (Amount in ₹)	
Name of Shareholder	31.03.2015		31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of ₹10/- each fully paid up				
Ecoreco Ventures Private Limited	9,139,250	52%	9,139,250	52%
Brijkishor Soni	2,139,162	12%	2,139,162	12%
Bennett, Coleman and Company Limited	1,400,000	8%	1,400,000	8%
3 Reserves and Surplus				
a) Capital Reserve				
Balance as per last financial statements			35,115,495	35,115,495
Balance as at the end of the year			<u>35,115,495</u>	<u>35,115,495</u>
b) Securities Premium Reserves				
Balance as per last financial statements			98,400,000	98,400,000
Balance as at the end of the year			<u>98,400,000</u>	<u>98,400,000</u>
c) General Reserve				
Balance as per last financial statements			268,130	3,879,130
Add: Transferred from surplus balance in the statement of profit and loss			13,500,000	10,000,000
Less : Goodwill on merger			(13,611,000)	(13,611,000)
Balance as at the end of the year			<u>157,130</u>	<u>268,130</u>
d) Surplus/(Deficit) in the Statement of profit and loss				
Balance as per last financial statements			4,280,470	11,294,694
Add : Profit for the year			9,348,982	2,985,774
Less: Appropriation				
Transferred to General Reserve			(13,500,000)	(10,000,000)
Net Surplus in the Statement of profit and loss			<u>130,263</u>	<u>4,280,470</u>
Total			<u>133,802,888</u>	<u>138,064,095</u>
			(Amount in ₹)	
4 Long-Term Borrowings	Non - Current		Current Maturities	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Secured, Term loan				
Indian Rupee loan from Bank	14,199,312	7,270,290	4,890,000	2,270,000

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

			31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
Unsecured, Term loan				
From Government	90,000,000	90,000,000	-	-
Total	104,199,312	97,270,290	4,890,000	2,270,000

Secured Long-Term Borrowings:

- a) Indian Rupee term loan from bank is repayable in equated periodic installments upto a 5 year period each along with interest. Further, the loan has been guaranteed by personal guarantee of the chairman and managing director of the company, Ecoreco Ventures Private Limited, the holding company and by collateral security of the registered office in the name of B.K.Soni (HUF) and Pledge of 3.40 lakhs equity shares of the company by the chairman and managing director of the company Mr. B.K. Soni.

Unsecured Long-Term Borrowings:

- b) Repayment to start after 1 year from the date of completion of the project in 5 annual instalments.

5 Deferred Tax Liability (Net)

Major components of deferred tax balances consist of the following:

Deferred Tax Liability

Related to fixed assets	3,755,357	3,027,509
Total	3,755,357	3,027,509

6 Short-Term Borrowings

Secured

Working Capital Loans

From Banks*	57,662,621	48,495,135
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Unsecured Loan Repayable on Demand

From Director's	-	11,695,000
From Others	6,017,606	-

Total	63,680,227	60,190,135
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*Working Capital Loans from banks are secured by way of hypothecation of Stock, Book-Debts and Personal Gurantee of the Chairman and Managing Director of the company Mr. B.K. Soni.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
7 Trade Payables		
<i>(Unsecured, Considered Good)</i>		
Trade Payables*	67,849,493	101,986,811
Total	<u>67,849,493</u>	<u>101,986,811</u>
<p>*The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.</p>		
8 Other Current Liabilities		
Current Maturity of Indian rupee term loan from Bank (Refer Note "4")	4,890,000	2,270,000
Interest accrued & due on borrowings	-	665,801
Bank Overdraft on a Scheduled Bank	-	-
Creditors for Expenses	2,428,000	2,065,939
Creditors for Capex	-	8,452,356
Advance from customers	71,408,338	100,000
Statutory Dues*	1,906,287	524,094
Other Payable	-	1,643,626
Total	<u>80,632,624</u>	<u>15,721,816</u>
<p>*Includes Tax deducted at source, ESIC, Provident Fund and Profession Tax.</p>		
9 Short Term Provisions		
Provision for Income Tax (Net)	1,992,129	759,753
Total	<u>1,992,129</u>	<u>759,753</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

10. Fixed Assets

A. Tangible Assets

(Amount in ₹)

Particulars	Facility Land	Plant and Machinery	Furniture and Fixtures	Computers	Vehicles	Office Equipment	Total
Gross Block							
As At 1st April, 2014	33,647,167	43,603,861	645,698	2,727,943	6,921,940	789,895	88,336,504
Additions During the Year	-	-	-	-	-	-	-
Disposals During the Year	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-
As At 31st March, 2015	33,647,167	43,603,861	645,698	2,727,943	6,921,940	789,895	88,336,504
Depreciation / Amortization							
As At 1st April, 2014	-	4,175,177	139,364	2,592,662	2,209,713	461,480	9,578,396
Depreciation During the Year	-	2,071,183	40,873	33,252	701,926	39,857	2,887,091
Deduction During the Year	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-
As At 31st March, 2015	-	6,246,360	180,237	2,625,914	2,911,639	501,337	12,465,487
Net Block							
As At 31st March, 2014	33,647,167	39,428,684	506,334	135,281	4,712,227	328,415	78,758,108
As At 31st March, 2015	33,647,167	37,357,501	465,461	102,029	4,010,301	288,558	75,871,018

Increase in Fixed Assets amount includes Current Year Nil (P.Y. ₹8,75,894/-) towards interest cost capitalized as per AS-16.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

B. Intangible Assets

(Amount in ₹)

Particulars	Goodwill*	Branding	Total
<u>Gross Block</u>			
As At 31st March, 2014	68,055,000	57,005,177	125,060,177
Additions During the Year	-	1,104,483	1,104,483
Disposals During the Year	-	-	-
Other Adjustments	-	-	-
As At 31st March, 2015	68,055,000	58,109,660	126,164,660
<u>Depreciation / Amortization</u>			
As At 31st March, 2014	54,444,000	-	54,444,000
Depreciation During the Year	13,611,000	-	13,611,000
Deduction During the Year	-	-	-
Other Adjustments	-	-	-
As At 31st March, 2015	68,055,000	-	68,055,000
<u>Net Block</u>			
As At 31st March, 2014	13,611,000	57,005,177	70,616,177
As At 31st March, 2015	-	58,109,660	58,109,660

Note: *Amortization of Goodwill is adjusted against General Reserve (Refer to Note "3")

C. Capital Work-in-Progress

	As at 31st March, 2015	As at 31st March, 2014
Plant and Machinery	64,815,625	73,000,000
Development "Precious Metal Recovery Plant"	4,313,572	4,313,572
CRT & PCB Machine	6,048,202	-
Total	75,177,399	77,313,572

Note: *It represents an expenditure for development of the project 'E-Waste recycling and Precious metal recovery' under TDDP of TDPU and DSIR.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	₹	No. of shares	₹
11 Non-Current Investments				
a) Quoted Equity Shares				
Anant Raj Ind Ltd (Face Value ₹2/-)	500	57,849	500	57,849
National Peroxide Ltd (Face Value ₹10/-)	1,000	231,275	1,000	231,275
Hindustan Motors Ltd (Face Value ₹5/-)	42,000	775,572	42,000	775,572
Malu Paper Mills Ltd (Face Value ₹10/-)	9,997	375,336	9,997	375,336
Prism Cement Ltd (Face Value ₹10/-)	2,000	120,070	2,000	120,070
Ruchi Infrastructure Ltd (Face Value ₹1/-)	541,867	19,944,598	425,000	18,807,258
Anik Industries Ltd (Face Value ₹10/-)	50,000	2,473,150	50,000	2,473,150
NOCIL Ltd (Face Value ₹10/-)	49,000	1,539,872	49,000	1,539,872
BSEL Infrastructure Realty Ltd (Face Value ₹10/-)	13,000	138,056	13,000	138,056
Harrison Malayalam Ltd (Face Value ₹10/-)	3,000	241,752	3,000	241,752
Hindustan Organic Chemicals Ltd (Face Value ₹10/-)	10,000	302,060	10,000	302,060
Indian Card Clothing Company Ltd (Face Value ₹10/-)	3,459	563,019	3,459	563,019
KPR Mills Ltd (Face Value ₹10/-)	1,997	292,227	1,997	292,227
Murli Industries Ltd (Face Value ₹2/-)	3,500	119,008	3,500	119,008
Financial Analysis Credential Ltd (Face Value ₹10/-)	56	7,527	56	7,527
*India Bull Securities Ltd (Face Value ₹10)	160,000	1,672,640	160,000	1,672,640
Tata Tele Services (Maharashtra) Ltd (Face Value ₹10/-)	2,571,900	27,234,724	1,413,543	16,929,700
Jubilant Food Works Ltd (Face Value ₹10/-)	5	6,449	5	6,449
Kingfisher Airlines Ltd (Face Value ₹10/-)	45,000	434,749	45,000	434,749
Srei Infra Ltd (Face Value ₹10/-)	5,000	136,919	5,000	136,919
JSW Energy Ltd (Face Value ₹10/-)	500	61,683	500	61,683
Himachal Futuristic Communications Ltd (Face Value ₹1/-)	3,000	108,000	3,000	108,000
Aditya Birla Chemicals (India) Limited (Face Value ₹10/-)	400	222	400	222
Brigade Enterprises Limited (Face Value ₹10/-)	800	320,960	800	320,960
Electrosteel Castings Limited (Face Value ₹10/-)	2,000	189,249	2,000	189,249
GTL Infrastructure Limited (Face Value ₹10/-)	3,000	130,710	3,000	130,710
IFCI Ltd (Face Value ₹10/-)	800	26,264	800	26,264
Jensen & Nicolsan Ltd (Face Value ₹10/-)	5,000	35,500	5,000	35,500
Lok Housing Ltd (Face Value ₹10/-)	1,000	149,322	1,000	149,322
Moschip Semiconductor Technology Ltd (Face Value ₹10/-)	2,000	31,320	2,000	31,320
NRC Ltd (Face Value ₹10/-)	3,999	109,693	3,999	109,693
Shipping Corporation Ltd (Face Value ₹10/-)	500	12,310	500	12,310

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	₹	No. of shares	₹
Shree Digvijay Cement Ltd (Face Value ₹10/-)	3,000	70,110	3,000	70,110
Reliance Industries Limited (Face Value ₹10/-)	700	576,704		
Ruchi Soya Industries Ltd (Face Value ₹10/-)	1,000	43,544		
Upsurge Investment & Finance Ltd (Face Value ₹10/-)	95,000	1,881,699		
**Videocon Appliances Ltd (Face Value ₹10/-)	5,000	213,319	5,000	213,319
b) Unquoted Equity Shares				
Saujanya Trading Pvt Ltd (Face Value ₹10/-)	-	-	200,000	5,000,000
Weee India Private Ltd (Face Value ₹10/-)	5,000	50,000	-	-
Dombivali Sahkari Bank Ltd (Face Value ₹10/-)	10,000	100,000	10,000	100,000
The Shamrao Vithal Coop Bank Ltd (Face Value ₹10/-)	25	625	25	625
Sanjay Chemical Pvt Ltd (Face Value ₹10/-)	3,000	3,000,000	3,000	3,000,000
MGI India Consulting Pvt Ltd	10,000	2,500,000	10,000	2,500,000
Total		66,278,085		57,283,775
Aggregated Value of Quoted Investments		60,627,460		46,683,150
Aggregated Market Value of Quoted Investments		39,268,948		22,325,935
Aggregated Value of Unquoted Investments		5,650,625		10,600,625

*The company name has changed from "India Bull Securities Ltd" to "India Bull Ventures Ltd"

**The company name has changed from "Videocon Appliances Ltd" to "Value Industries Ltd"



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
12 Long-Term Loans and Advances <i>(unsecured, considered good)</i>		
Lease Rent Deposits	17,000,000	12,550,000
Other Security Deposits	285,750	20,750
Other Loans and Advances		
Capital Advance	9,649,038	11,011,224
Advances Recoverable in Cash or in Kind or value to be received	4,750,000	4,750,000
Balances with Statutory/Government Authorities	1,396,500	166,972
Total	<u>33,081,288</u>	<u>28,498,946</u>
Loans and Advances above includes :-		
Lease Rent Deposit includes:		
Aruna Soni	5,000,000	5,000,000
B.K. Soni HUF	-	6,050,000
BK Soni	10,000,000	-
13 Other Non-Current Assets		
Deposits with Bank (with maturity more than 12 months)		
Held as margin money	1,800,000	1,625,405
Interest Accrued	1,149,005	1,285,208
Miscellaneous Expenditure (To the extent not w/off)	1,451,549	3,919,509
Total	<u>4,400,554</u>	<u>6,830,122</u>
14 Inventories <i>(Refer Note 1.7)</i>		
Stock of Electrical and Electronic Equipment	85,068,182	78,096,498
Total	<u>85,068,182</u>	<u>78,096,498</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
15 Trade Receivables		
<i>(unsecured, considered good)</i>		
More than six months from the date they are due for payment	81,391,952	23,409,121
Other Debts	83,208,179	100,980,308
Total	<u>164,600,130</u>	<u>124,389,429</u>
Trade Receivable above includes:		
Nippon Magnetic Dressing Co. Ltd.	1,895,076	18,667,008
16 Cash and Cash Equivalents		
Cash and bank balances:		
Cash on hand	1,218,744	203,177
Balances with banks -		
On current accounts	187,773	239,586
Total	<u>1,406,517</u>	<u>442,763</u>
17 Short-Term Loans and Advances		
<i>(unsecured, considered good)</i>		
Earnest Money Deposit	444,000	964,000
Other Deposits	-	131,888
Other Loans and Advances		
Advances Recoverable in Cash or in Kind	30,402,774	32,474,542
Advance for expenses	33,353,660	33,270,222
Prepaid Expenses	531,938	444,658
Advance to Employees	143,857	115,264
Balances with Statutory/Government Authorities	-	236,337
Total	<u>64,876,229</u>	<u>67,636,911</u>
18 Other Current Assets		
Miscellaneous Expenditure <i>(To the extent not w/off)</i>	2,467,968	2,579,108
Total	<u>2,467,968</u>	<u>2,579,108</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
19 Revenue from Operations		
a) Sale of Stock in Trade		
Electrical and Electronic Equipment	300,676,635	247,119,614
Sale of Shares	-	1,516,384
b) Sale of Services		
Data Destruction Charges	8,883,887	5,916,484
Total	<u>309,560,522</u>	<u>254,552,482</u>
20 Other Income		
Interest Income on		
- Bank Deposits	48,854	363,749
- Others	-	-
Dividend	25,211	57,726
Profit/(Loss) on sale of Shares held as Investments	-	630,749
Speculative Profit on sale of Shares	18,648	38,597
Exchange gain on rate fluctuation	2,356,150	-
Rent Income	-	31,519,763
Reimbursement of Expenses	-	815,000
Sundry Balances Written Back	1,857,079	197,975
Miscellaneous Income	197,118	128,418
Total	<u>4,503,060</u>	<u>33,751,976</u>
21 Purchases of Stock-in-Trade		
Purchases of Electrical and Electronic Equipment	256,929,749	235,774,911
Total	<u>256,929,749</u>	<u>235,774,911</u>
22 Changes in Inventories of Stock-in-Trade		
Inventories at the end of the year		
Stock of Electrical and Electronic Equipment	85,068,182	78,096,498
Stock of Shares	-	-
	85,068,182	78,096,498

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
Inventories at the beginning of the year		
Stock of Electrical and Electronic Equipment	78,096,498	75,523,168
Stock of Shares	-	1,508,599
	78,096,498	77,031,767
Total	<u>(6,971,684)</u>	<u>(1,064,731)</u>
23 Employee Benefits Expense		
Salaries, Bonus and Other Allowances	12,443,132	12,305,802
Contribution to Provident & Other Funds	652,530	314,415
Employee Welfare Expenses	695,916	709,385
Total	<u>13,791,578</u>	<u>13,329,602</u>
24 Finance Costs		
Interest Expense		
On Term Loan	1,064,049	1,516,321
On Working Capital Loan	7,152,634	6,095,536
Other Borrowing Costs	288,873	824,474.00
Processing Fees	-	224,720.00
Total	<u>8,505,556</u>	<u>8,661,051</u>
25 Other Expenses		
Lease Rent	8,886,708	9,884,221
Freight and Transportation	2,953,225	2,415,385
Duties & Taxes	-	641,499
Travelling and Conveyance	1,171,486	801,447
Legal and Professional Fees	1,190,335	1,167,254
Labour Charges	323,700	1,053,546
Advertisement Expenses	650,192	1,030,619
Insurance Expense	709,883	503,761
Printing and Stationery	215,403	147,763
Repairs and Maintenance	309,882	341,692
Electricity Charges	238,744	252,662
Security Charges	255,036	191,519

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
Auditor's Remuneration (<i>Refer Note "29"</i>)	100,000	110,000
Directors' Sitting Fees	-	60,000
Annual Listing, Registrar and Transfer Agent Expense	201,770	78,652
Bank Charges	95,509	114,752
Loss on sale of shares held as investments	3,077,447	-
Software license	122,852	-
Other Expenses	3,363,189	2,534,315
Research & Development Expense (<i>Refer Note "35"</i>)	-	39,408
Miscellaneous Expenditure w/off (<i>Refer Note "33"</i>)	2,579,100	2,227,832
Total	<u>26,444,461</u>	<u>23,596,327</u>

26 Disclosure in Respect of Leases:

I 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:

i) Not later than one year	9,768,449	9,704,058
ii) Later than one year and not later than five years	23,077,324	31,687,023
iii) Later than five years	-	-
b) Lease payments recognized in the Statement of Profit and Loss for the period.	8,886,708	9,884,221

II Operating Lease: Company as Lessor

a) The total of future minimum rental receivable during lock in period of operating leases are as follows:

i) Not later than one year	-	-
ii) Later than one year and not later than five years	10,560,000	10,560,000
iii) Later than five years	-	-
b) Lease rental recognized in the Statement of Profit and Loss for the period.	-	31,519,763

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31.03.2015 (Amount in ₹)	31.03.2014 (Amount in ₹)
27 Capital and Other Commitments		
Capital Commitments:		
Estimated value of contracts in capital account remaining to be executed		
From others	-	-
28 Contingent Liabilities		
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	12,400,000
29 Payment to Auditors		
Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
Other Services	-	10,000
Total	<u>100,000</u>	<u>110,000</u>
30 Earnings in Foreign Currency		
Rent - Facility Land	-	31,519,763
FOB Value of Goods Export	4,560,000	-
Reimbursement of Modification & Construction Cost of facility	-	2,554,712
Reimbursement of Insurance Premium	212,179	-
Reimbursement of Security Charges	528,540	-
Service Charges	835,890	606,197
Total	<u>6,136,609</u>	<u>34,680,672</u>



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

- 31** The Company has been dealing with Keynote Capital Markets 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 appropriated 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. The company has taken appropriate actions against Keynote with SEBI, NSE & Economic Offence Wing (EOW) of the Mumbai Police for the recovery of the misappropriation of the investment of the company. In this matter Company has won both the appeals of Arbitration Committee of The National Stock Exchange. In the month of August, 2014 Keynote has filed an appeal u/s 34 in the High Court, which is still pending. The Company is confident that it will be able to recover its amount and therefore no accounting impact has been given to such misappropriated investments till the matter is sub-judice.
- 32** The Company has not provided provision for gratuity on employees on accrual basis, which is not in conformity with AS-15 - Employee Benefits as required under The Gratuity Act, 1972. However in the opinion of the management the amount involved is negligible and has no impact on Statement of profit and loss account.
- 33** The Company has not written off the "Miscellaneous Expenditure" amounting to ₹39,19,517/- fully in Statement of profit and loss account, which is not in conformity with AS - 26 - Intangible Assets which had arise at the time of amalgamation. However in the opinion of the management it will not create any discrepancy as the treatment taken is as per the provisions of The Income Tax Act, 1961.
- 34** The office of the Whole Time Company Secretary has been vacant and the Company is in process of appointing a full time company secretary as per Companies Act 2013.
- 35** The Company is engaging in research & development activity on Electronic Waste. The expenses incurred during the year other than capital expenditure is charged off in the Statement of profit and loss. The expenses included legal & professional fees, employee benefits expenses & other expenses incurred during the year.
- 36** The company is in the business of E-waste and Asset Management.
- 37** Balances of some of the trade receivable, trade payable and creditor of expenses, loans and advances 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.

38 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

(b) **Associates :-**

Reverse Logistics & Warehousing Private Limited
Ecoreco Park Private Limited
WEEE India Private Limited
Data De-End Private Limited

(c) **Key Management Personnel :-**

Mr. B. K. Soni - C.M.D.
Mrs. Aruna Soni - Director
Mr. Srikrishna B. - Director
Mr. T R Rao - Director
Mr. Shashank Soni - Director
Mr. Vijay Acharya - Director
Ms. Anita Choudhari - CFO

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

ii) Transaction With Related Parties:-

(Amount in ₹)

Particulars	Key management personnel	Holding	Associates
Remuneration	3,600,000	-	-
(P.Y.)	(3,600,000)	-	-
Salary	2,049,374		
(P.Y.)	(4,587,500)		
Sitting Fees	-	-	-
(P.Y.)	(60,000)	-	-
Rent	4,500,000	-	-
(P.Y.)	(5,400,000)	-	-
Int Paid	823,542	-	-
(P.Y.)	-	-	-
Subscription in Shares	-	-	50,000
(P.Y.)	-	-	-
Deposit Paid	10,000,000	-	-
(P.Y.)	-	-	-
Deposit Repaid	-	-	-
(P.Y.)	-	-	(200,000)
Loan Given	-	-	-
(P.Y.)	-	-	(324,000)
Loan Repaid	-	-	-
(P.Y.)	-	-	(7,884,000)
Loan Taken	300,000	-	-
(P.Y.)	(16,350,000)	-	-
Loan Repaid	11,995,000	-	-
(P.Y.)	(4,655,000)	-	-
Sale of Shares	-	-	-
(P.Y.)	-	(1,829,809)	-
Closing Balance at the Year End			
Loan Taken	-	-	-
(P.Y.)	(11,695,000)	-	-
Deposit Given	15,000,000	-	-
(P.Y.)	(5,000,000)	-	-
Advance Rent Paid	2,336,241	-	-
(P.Y.)	-	-	-

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

39 Derivative Instruments

Foreign Currency Exposures that have not been hedged by a derivative instrument or otherwise as at year end:

Particulars	Year	Currency	Amount
Advance recoverable in cash or in kind or value to be received	2014-15	USD	-
(Reimbursement of Expenses)		INR	-
	2013-14	USD	310,806
		INR	18,667,008

40 Earnings Per Share

	Units	2014-15	2013-14
i) Profit after tax	₹	9,348,982	6,406,017
ii) Weighted average number of equity shares outstanding	Nos.	17,542,500	16,786,336
iii) Basic Earnings Per Share	₹	0.53	0.38
iv) Diluted Earning Per Share	₹	0.53	0.38
v) Face Value of Shares	₹	10.00	10.00

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

Signature to Notes

1 to 41

As per our report of even date
For GMJ & Co
Chartered Accountants
FRN No. 103429W

CA. P. Somani (Partner)
M No.40637
Mumbai | 30th May 2015

For and on behalf of the Board

B K Soni (Chairman & Managing Director)
Srikrishna B. (Director)
Shashank Soni (Executive Director)

NOTES

NOTES

ATTENDANCE SLIP
ECO RECYCLING LIMITED

Registered Office: 205, Centre Point, 2nd Floor, J.B. Nagar, Andheri Kurla Road, Andheri East, Mumbai – 400 059.
CIN: L74120MH1994PLC079971

21st Annual General Meeting, Saturday, September 26, 2015

I hereby record my presence at the 21st Annual General Meeting of the Company (including adjournment thereof) at Eco House, Bhoidapada, Near Range Office, Next to Top Class Enclave, Vasai (East), Dist. Thane held on Saturday, September 26, 2015 at 11:00 a.m.

Folio No. _____ DP ID* _____ Client ID* _____

No. of Shares held _____

Full name of the Shareholder/Proxy (in block letters)

Signature

*Applicable for investors holding shares in electronic form.

Note: Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand over at the entrance of the hall.

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: 205, Centre Point, 2nd Floor, J.B. Nagar, Andheri Kurla Road, Andheri East, Mumbai – 400 059.

CIN: L74120MH1994PLC079971

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

1. Name: Address:

E-mail Id:Signature: or failing him

And whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual general meeting of the company, to be held on Tuesday, September 26, 2015 at 11.00 a.m. at Eco House, Bhoidapada, Near Range Office, Next to Top Class Enclave, Sativali, Vasai (East), District Thane 401208 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider, approve and adopt the Audited financial statement.
2. To appoint a Director in place of Mrs. Aruna Soni (DIN: 01502649) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration.
4. To regularize the appointment of Mr. Vijay Acharya (DIN:07114916), who was appointed as an Additional Director of the Company by the Board of Directors
5. To regularize the appointment of Mr. Dattatraya Trimbak Devale (DIN:07186290), who was appointed as an Additional Director of the Company by the Board of Directors

Signed this..... day of2015

Affix
Revenue
Stamp

.....
Signature of Shareholder

.....
Signature of Proxy holder(s)

* Applicable for investors holding shares in electronic form. _____

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.

Responsible Recycling Enlighten Lives

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Exposure to mercury, even in small amounts, may cause serious health problems.

- Mercury may have toxic effects on brain, heart, kidneys, lungs and immune system.
High levels of methyl mercury in the bloodstream of unborn babies and young children may harm the developing nervous system, making the child less able to think and learn, leading to Autism.
- Recycling of mercury-containing products is one of the best ways to help prevent mercury releases into the environment, by keeping these products out of landfills and incinerators.

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