



Accelerating
through Systems,
Scale and
Sustainability

ANNUAL
REPORT
2024-25



In today's dynamic business landscape, we embrace the theme

"Accelerating with Scale, Sustainability and Systems"

To drive our vision of purposeful and enduring expansion. We are committed to scaling our operations thoughtfully, ensuring that our growth is both impactful and sustainable, rooted in environmental responsibility. By integrating cutting-edge systems, we optimize our resources and enhance efficiency while minimizing ecological footprint for our clients as well, aligning with global sustainability goals. Our focus on robust systemic frameworks enables us to build resilient infrastructure that thrives amid challenges, ensuring long-term viability. We aim to deliver value not just for our stakeholders but also for the communities we serve and the planet we share. Through this approach, we are forging a path of transformative growth that balances scale, sustainability and systemic innovation for future generations.

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Company Profile

RACE : Recycling And Circular Economy

RACE Eco Chain Ltd. is dedicated to organizing India's fragmented waste market and advancing a circular economy. The company's name, "RACE" (Recycling and Circular Economy), highlights its focus on transforming waste into valuable resources. Through a Pan-India network and a strong community focus and setting up washing plants accross india. At RACE we use technology-driven waste management system to support environmental stewardship.



Waste
Management



Biofuel



Recycled Products

To streamline its operations, RACE uses a dedicated "RACE App" to digitize the waste supply chain, making it easier for suppliers to sell waste, negotiate prices and arrange pickups. The company is also expanding its focus to include E waste, biomass briquettes, plastic waste, other plastic, metal, paper, industrial waste and more.



Disclaimer and Forward-Looking Statement

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



Corporate Information

Governance and Structure

RACE Eco Chain Ltd. operates with a robust corporate governance framework designed to ensure transparency, accountability and strategic oversight.

Key Corporate Details

Board of Directors and Key Management Personnel

The Board of Directors, as on date comprises key individuals guiding the company's strategic direction.



Sunil Malik

Managing Director, responsible for both strategic leadership and day-to-day operations.



Lalit Malik

He is Non- Executive Director of the Company Liable to Retire by rotation



Anil Behl

Independent Director. Chairs the Audit Committee and is a member of the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee.



Sanjay Kukreja

Independent Director. Chairs the Nomination and Remuneration Committee and is a member of the Audit Committee and Stakeholders' Relationship Committee. He is re-appointment for a second five-year term (July 20, 2024, to July 19, 2029).



Pranav Vasan

Independent Director. Chairs the Stakeholders' Relationship Committee and is a member of the Audit Committee and Nomination and Remuneration Committee.



Seema Malik

Independent Director. Joined the board on June 30, 2023.

Banking Partners:

Function: Facilitate extensive financial operations



We understand your world

Official Website:

www.raceecochain.com

Access: Public information and corporate disclosures available online

Corporate Identification:

Corporate Identification Number (CIN):

L37100DL1999PLC102506

Registered Office:

Location: Shop No. 37, Shanker Market,
New Delhi, Central Delhi-110001

Key Personnel:

Company Secretary & Compliance Officer: Ms. Shiwati Gandhi

Role: Ensuring adherence to regulatory frameworks

Auditing Structure:

Statutory Auditors: Garg Arun & Associates

Internal Auditors: M/s. SSAR & Associates

Secretarial Auditors: M/s. Hemant Kumar Sajnani & Associates

Purpose: Oversight of financial reporting and corporate practices integrity

Vision 2030

Building a Stronger Foundation for Tomorrow

RACE Eco Chain Ltd.'s Vision 2030 outlines ambitious yet strategically grounded goals, reflecting a confident outlook on its future market expansion and sustainability impact. These objectives are designed to solidify the company's leadership in India's circular economy.

Strategic Goals for 2030

Through our diligent efforts, we aspire to achieve the following outcomes :



Revenue Growth :
40% to 50% growth in
revenues

Market Share :
25% + market share
in PET waste market
in india

**Sustainable
Sourcing :**
50% procurement from
ESG compliant players

E2E traceability :
Making 50% procurement
end to end traceable



These ambitious outcomes are envisioned to be realized through "diligent efforts," forming an integral part of the company's overarching philosophy. This philosophy is centered on establishing a well-structured and organized circular system that comprehensively encompasses the entire waste value chain, moving beyond mere transactional circularity to a systemic transformation.

The explicit inclusion of "**Sustainable Sourcing**" and "**E2E Traceability**" directly within the Vision 2030 goals, alongside traditional metrics like revenue and market share, indicates that these are not merely peripheral objectives but are fundamental to how RACE plans to achieve its growth. The development and deployment of the "**RACE App**" serves as a direct technological enabler for achieving traceability and digitizing the value chain, which are critical components of robust ESG compliance. This integration suggests that ESG principles and technological innovation are deeply embedded in RACE's long-term growth strategy, rather than being treated as separate compliance exercises. Successfully achieving these targets is expected to bolster the company's brand reputation, attract a growing pool of ESG-focused investors and potentially secure preferential status or premium pricing in a market that is increasingly prioritizing sustainable and transparent practices.



Letter from the Managing Director



Dear Stakeholders,

With great pride and gratitude, I present the Annual Report of RACE Eco Chain Ltd. for the year 2024–25 – a landmark chapter in our journey of purpose-led innovation and impact. This year has been truly transformative. At RACE, we have gone beyond milestones to redefine what is possible when passion meets purpose in service of the planet. Staying true to our mission of converting waste into valuable, environmentally responsible resources, we have taken bold strides toward a more circular, inclusive and sustainable future.

One of the most significant developments this year was our Joint Venture with **Ganesha Ecosphere Ltd.**, which led to the formation of Ganesha Recycling Chain Pvt. Ltd. – a powerful step forward in advancing PET recycling infrastructure across the country, strengthening our value-added business. We also acquired equity stake in Silverline Eco Thrive Ltd., further expanding our recycling capabilities and reinforcing our commitment to innovation-led growth.

As part of our ESG focus, we are actively building an ESG-compliant supply chain – an effort that has earned significant recognition. Leading recyclers and PIBOs (Producers, Importers and Brand Owners) are increasingly seeking to partner with the RACE network to help organize India's vast and fragmented scrap sector.

To sharpen our focus and ensure more efficient capital allocation, the Board has also proposed the demerger of RACE's existing business segments into three specialized entities:

- **Waste Management:** Organizing the unorganized waste sector in India.
- **Biomass Fuel:** Leveraging renewable energy sources and reducing carbon emissions.
- **Recycled Products:** Creating value from recycled materials.

The global shift toward sustainability and ESG-compliant waste management presents not just an opportunity, but a responsibility to lead. With a robust circular infrastructure, growing environmental awareness and supportive green regulations, RACE is well-positioned to harness this momentum and create lasting impact. Even as we grow, we remain mindful of evolving regulatory frameworks, dynamic market conditions and rising social expectations. Our commitment is unwavering – to transform waste into worth and responsibility into measurable results.

At RACE, sustainability is not a destination; it is embedded in our DNA.

Whether you are a policymaker, business partner, or an environmentally conscious citizen, I invite you to join us on this journey. Together, we can build a cleaner, more circular and accountable future for generations to come.

In gratitude and purpose,

Sunil Kumar Malik
Managing Director
RACE Eco Chain Ltd.

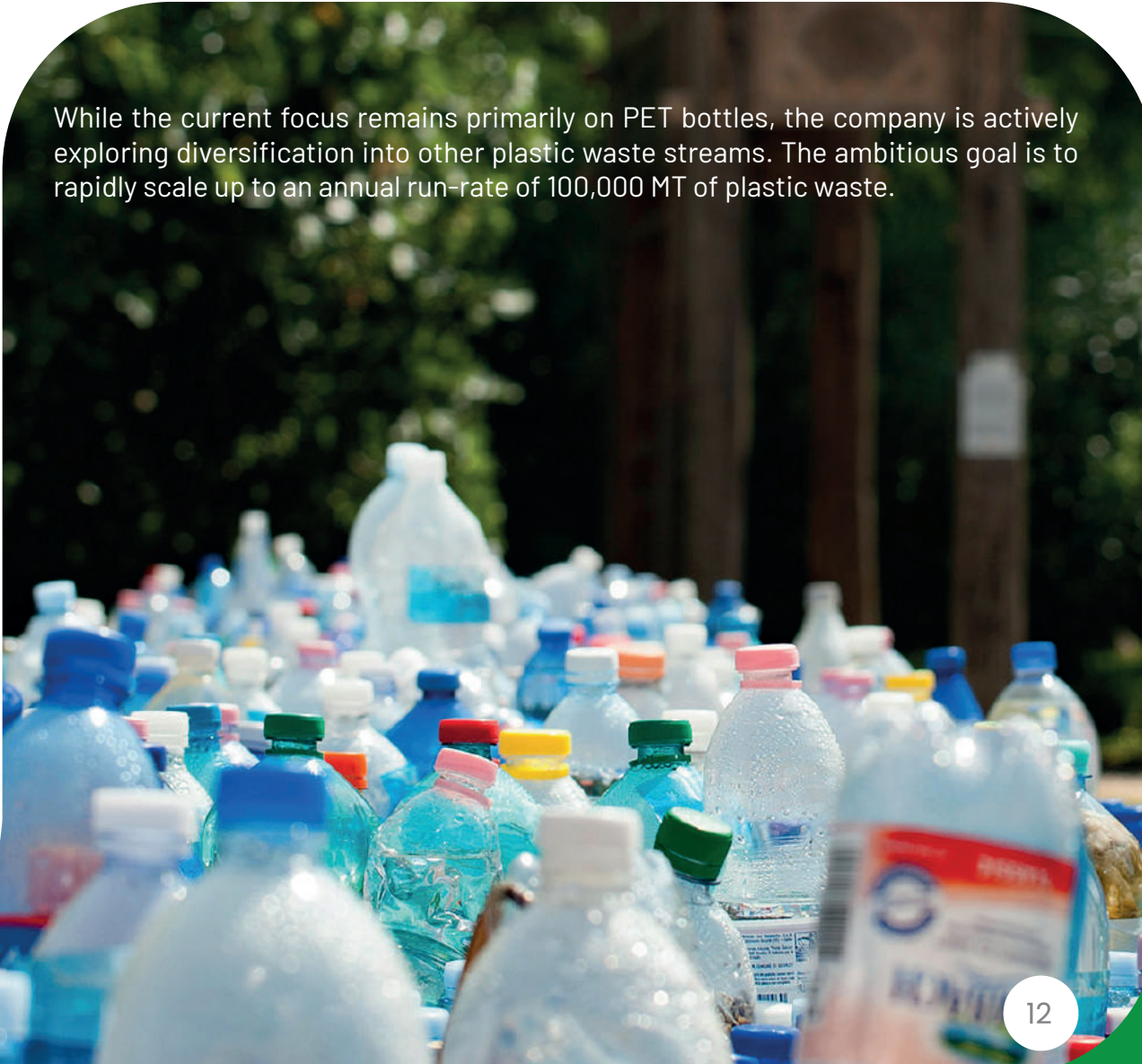
Our Ecosystem of Change

Business Verticals

RACE Eco Chain Ltd. operates through distinct business verticals, each contributing to its mission of organizing the unorganized waste market and advancing the circular economy.

Waste Management (Recycle Division): Aggregation, Strategic Investments and Alliances

RACE is recognized as one of India's largest aggregators of plastic waste, playing a pivotal role in formalizing the collection and supply chain within this sector. The division demonstrated robust operational performance in Fiscal Year 2024 (FY24), aggregating approximately 75,972 Metric Tonnes (MT) of plastic waste, representing a substantial 66% year-over-year (YoY) growth. This strong performance translated into a revenue of INR 292 crore for the segment, reflecting a 47% YoY growth. Building on this momentum, FY25 saw the aggregation of approximately 95,318 MT of plastic waste, a 25% YoY growth. Revenue for FY25 reached ₹432.65 crore, marking a 48% YoY growth, with an Earnings Before Interest and Taxes (EBIT) of ₹7.96 crore and an EBIT Margin of 1.84%.



While the current focus remains primarily on PET bottles, the company is actively exploring diversification into other plastic waste streams. The ambitious goal is to rapidly scale up to an annual run-rate of 100,000 MT of plastic waste.

To achieve its strategic objectives, RACE has engaged in significant investments & alliances

Ganesha Ecosphere Ltd. (Strategic Alliance & Joint Venture): A significant alliance was forged with Ganesha Ecosphere Ltd., India's largest PET waste recycler. This partnership includes an equity investment in RACE and aims to revolutionize India's waste management supply chain by streamlining the end-to-end process to meet brand owner demand sustainably. A new joint venture, Ganesha Recycling Chain Private Limited, JV Company formed on 10th September, 2024 with 51% Stake. This JV is specifically tasked with launching numerous washing lines across India for producing premium rPET flakes, representing a pivotal forward integration for RACE.

Rudra Ecovation Ltd. (Strategic Investment): RACE made a strategic investment in Rudra Ecovation Ltd., a leading sustainable textile manufacturer. This investment secures long-term exclusivity in supplying waste PET bottles to Rudra Ecovation and facilitates the establishment of dedicated, ESG-compliant waste collection centers.

Vasundhara Envirogreen Private Limited (Acquisition): Further expanding its footprint, RACE acquired Vasundhara Envirogreen Private Limited, a key supplier of recyclable materials in Uttar Pradesh. This acquisition is expected to enhance waste collection capacity, improve profitability through optimized operations and expand market share in plastic waste management.

Silverline (Investment): A significant investment was made in Silverline, a leading supplier of recyclable materials in Tamil Nadu. This move aims to strengthen RACE's plastic waste management capabilities across India, boost collection capacity and support the establishment of new company-owned bale centers in the region.

Joint venture with Ganesha Ecosphere to establish "washing lines across India to transform PET bottles into premium rPET flakes," clearly indicate a strategic evolution strengthening our value added business. This represents a forward integration into the processing and manufacturing of higher-value raw materials. This vertical integration allows RACE to capture a larger share of the value chain, moving into higher-margin activities. By producing washed PET flakes and rPET, the company can exert greater control over product quality, ensure a consistent supply for its partners and solidify its position as a critical supplier in the growing recycled plastics market. This enhances both profitability and supply chain resilience, aligning with the "Bottle to Bottle" manufacturing raw materials supply focus.

The establishment of multiple new collection centers across diverse regions (Jharkhand, Noida, Bangalore, Gorakhpur) and the strategic acquisitions/investments in Vasundhara Envirogreen (Uttar Pradesh) and Silverline (Tamil Nadu) demonstrate a rapid and geographically diversified expansion strategy. This builds upon and significantly enhances RACE's existing **"Pan India network"**. This aggressive network expansion is critical for achieving the ambitious majority PET market share vision and for solidifying RACE's leadership in organizing India's fragmented waste market. Increased collection capacity through these expanded operations directly supports the company's overall revenue growth targets and its ability to meet the escalating demand for organized and traceable recycled materials.



Biomass Briquettes (Biomass Division)

Supply Chain and Market Positioning

In FY24, the division supplied over 52,000 MT of biomass, achieving a 50% YoY growth. This contributed INR 44 crore in revenue, representing a 51% YoY growth and contributing approximately 13% to the company's top line. However, FY25 presented operational headwinds for this segment. The aggregated biomass volume was approximately 25,840 MT and revenue stood at ₹18.71 crore, marking a 58% YoY reduction from FY24. The EBIT for the division was ₹0.21 crore, with an EBIT Margin of 1.13%.



The decline in FY25 revenue and aggregated volume was primarily due to significant procurement chain disruptions that impacted performance. Management has transparently acknowledged these operational challenges and has initiated a comprehensive restructuring of the biomass procurement ecosystem to address them, with the aim of restoring the growth trajectory in upcoming quarters. The division serves prominent industrial clients such as Reliance, CEAT, Orient Bell, PepsiCo and Ultratech, highlighting its established market presence and the quality of its offerings.

The market outlook for the biomass industry remains optimistic, largely driven by favorable government regulations. These include a mandate for 5% biomass co-firing in Thermal Power Plants (TPPs) from FY25, which will increase to 7% from FY26, creating a guaranteed demand for biomass fuel. Additionally, a mandatory Compressed Biogas (CBG) blending obligation in Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) is set to begin at 1% in FY26 and escalate to 5% by FY29. The Union Budget 2024 further bolstered the sector with an allocation of Rs 150 crore in financial assistance for the procurement of machinery to aid in biomass collection.

The Biofuel division experienced a significant revenue decline and a substantial drop in aggregated MT in FY25. This operational setback was clearly identified by management as "operational headwinds" and "significant procurement chain disruptions". However, management's immediate strategic response of initiating a "comprehensive restructuring of the biomass procurement ecosystem" and "targeted interventions to rebuild supply chain resilience" demonstrates a proactive and adaptive management approach. This indicates that while the segment faced unexpected challenges, the company is not passively observing but actively implementing corrective measures.

Recycled Products (Restore Division)

Brand Offerings and Market Performance

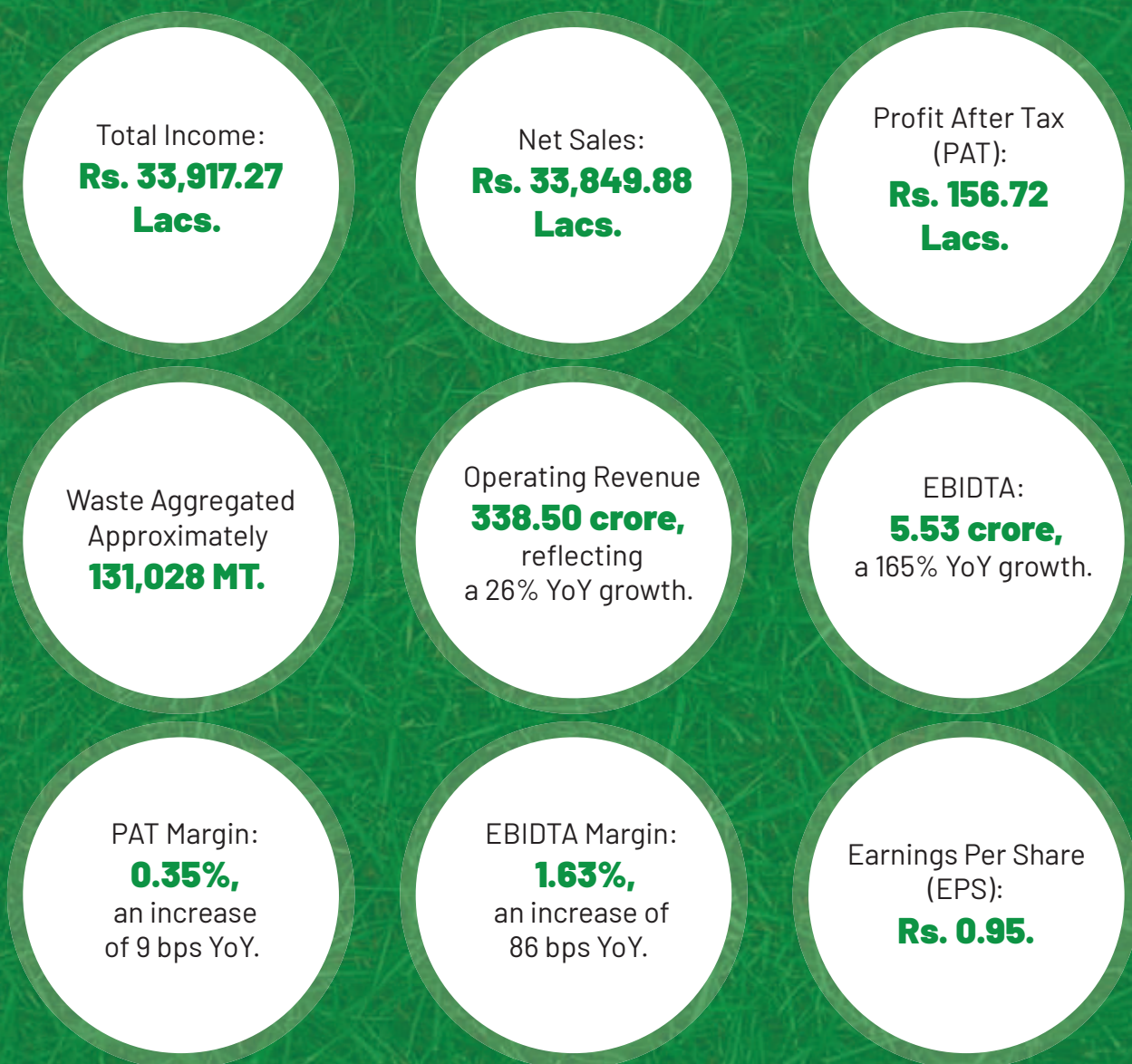
Under its registered brand "Restore," RACE manufactures a diverse range of recycled products, including bags, cushions, curtains and table mats. These products cater to both domestic and international markets, showcasing the company's capability to transform waste into valuable consumer goods. In FY24, this division represented a modest approximately 1% of total revenue, experiencing a slight decrease from INR 3.25 crore in FY23 to INR 2.34 crore.

However, the Restore division demonstrated a remarkable turnaround in FY25. It achieved a revenue of ₹8.94 crore, representing a transformative 282% YoY growth from FY24. This significant revenue growth was accompanied by a crucial shift to profitability, generating a positive EBIT of ₹0.25 crore, a notable improvement from the ₹0.06 crore loss recorded in FY24.



Previous Year (FY2024) Financial Highlights

For the fiscal year 2024, RACE Eco Chain Ltd. reported the following standalone financial highlights:



For comparative context, the segment assets and liabilities for FY2023 were:

Segment Assets (FY2023)

Recycle Division	: 3,713.50 Lacs
Restore Division	: 320.31 Lacs
Biomass Division	: 384.21 Lacs
Unallocated	: 499.98 Lacs
Total Assets	: 4,917.99 Lacs

Segment Liabilities (FY2023)

Recycle Division	: 1,051.26 Lacs
Restore Division	: 34.56 Lacs
Biomass Division	: 137.17 Lacs
Unallocated	: 1,638.02 Lacs
Total Liabilities	: 2,861.01 Lacs

Net Capital Employed (FY2023)
Rs. 2,056.98 Lacs

FY '25 Performance Highlights

Standalone Performance (Year-over-Year)

~121,159 MT

This is the quantum of waste (in tonnes) that we aggregated during FY25.

India generates more than **62mn tons** of municipal solid waste annually and only 20% is recycled. The problem is huge and hence we have a lot to contribute towards cleaner India!

Operating Revenue:
₹460.30 crore,
36% YoY

Waste Aggregated (MT)

	FY24	FY25
Waste Aggregated (MT)	131,028	121,159

EBITDA:
₹8.38 crore,
52% YoY

EBITDA Margin*:
1.82%
19 bps YoY

PAT:
₹3.76 crore,
140% YoY

PAT Margin:
0.82%
35 bps YoY

Consolidated Performance (Year-over-Year)

Operating Revenue
₹555.10 crore,
60% YoY

EBITDA
₹9.70 crore,
68% YoY

PAT
₹4.19 crore,
171% YoY

EBITDA Margin*:
1.75%
9 bps YoY

PAT Margin
0.76%
31 bps YoY

Key Milestones

A Year at a Glance

The fiscal year 2024-2025 has been marked by a series of pivotal milestones for RACE Eco Chain Ltd., demonstrating accelerated strategic execution and a multi-pronged approach to market penetration and value chain formalization.

FY24 Milestones (April 2023 – March 2024)

The preceding fiscal year laid a strong foundation with several notable achievements:



New Collection Center : We are excited to announce the expansion of our collection network with newly established centers in Modinagar, Noida (Uttar Pradesh), Bangalore, Ranchi and Gorakhpur. This strategic growth strengthens our commitment to building a cleaner, more sustainable future by strengthening the collection and recycling of plastic waste across key regions in India.



New Recruits Hired : Race has recently expanded its team by onboarding new talent to strengthen our focus on PET procurement, Biomass Briquettes and Industrial Plastic Waste. This strategic move aims to enhance our capabilities, drive innovation and support our mission of building a more efficient and sustainable waste management ecosystem.



Waste Collection Drive : Race Eco Chain Ltd. successfully conducted a Waste Collection Drive under the banner of "Planet First – The Race We Must Win." in various institutions like ITS, HIMT, GNIOT, KITE and many more. Focused on collecting Paper, Plastic and E-waste, the drive reinforced our continued commitment to environmental sustainability and community engagement.

FY24 Milestones (April 2023 – March 2024)

The preceding fiscal year laid a strong foundation with several notable achievements:



Participated in GCPRS 2025 (Global Conference on Plastic Recycling & Sustainability) : RACE Eco Chain proudly participated in GCPRS 2025, a premier four-day event recognized for showcasing the latest innovations, trends and business opportunities in plastic recycling. The event provided a dynamic platform for industry leaders, experts and stakeholders to exchange ideas and explore sustainable solutions, aligning perfectly with RACE's mission of advancing circular economy practices.



Setting up Reverse Vending Machines (RVM) in colleges : Race Eco Chain is setting up Reverse Vending Machines (RVMs) in colleges and Business Parks to promote responsible plastic disposal among students and professionals. These smart machines allow users to deposit used PET bottles and earn rewards, encouraging sustainable habits. This initiative is part of Race Eco Chain's mission to create a cleaner, circular economy by diverting plastic waste from landfills into certified recycling channels.



Race Ecochain Ltd. Joins Indo-Thai Dialogue on Circular Economy. : Managing Director, Mr. Sunil Kumar Malik, was invited as a delegate to the Indo-Thai Collaboration event. Which held from November 6-9, 2024, in Bangkok, this gathering brought together sustainability pioneers from across Asia, aiming to drive impactful change through cooperative efforts. In recognition of his leadership in the field, Mr. Malik has been honored with the Leaders of Sustainability-Indo-Thai Delegation Award, presented by Phanit Ratasuk, Director of Waste and Hazardous Substances Management Division, Pollution Control Department, Thailand.

FY25 Recent Updates (Post-March 2024)

Building on the foundation of FY24, the current fiscal year has seen an intensified pace of strategic activities:



Network Expansion

New collection centers have been established in key regions, including Jharkhand, Noida (Uttar Pradesh), Bangalore and Gorakhpur, significantly expanding the company's physical footprint.



Talent Acquisition for Diversification

New recruits have been onboarded to increase the company's focus on new waste streams such as copper, biomass briquettes and industrial plastic waste, signaling a strategic diversification effort.



Innovative Collection Methods

RACE is setting up Reverse Vending Machines (RVMs) in colleges to promote responsible plastic disposal among students, encouraging sustainable habits through rewards.

Strategic Acquisitions:

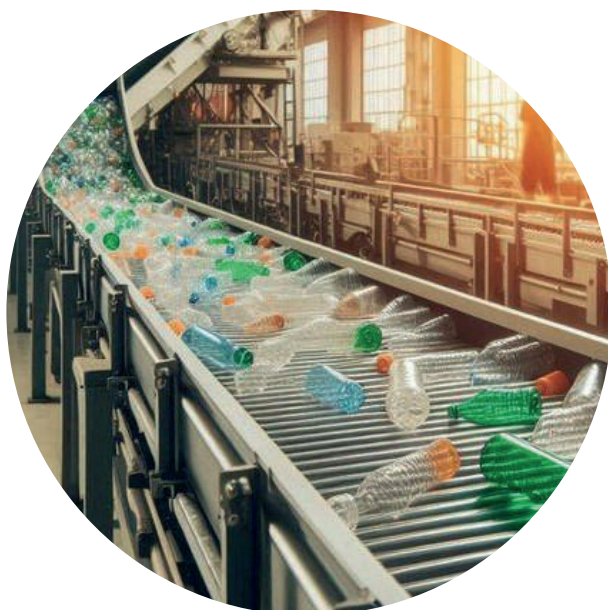
Vasundhara Envirogreen Private Limited: RACE acquired Vasundhara Envirogreen Private Limited, a leading supplier of recyclable materials in Uttar Pradesh. This acquisition is expected to enhance waste collection capacity, improve profitability and expand market share.

Silverline: A significant investment was made in Silverline, a leading supplier of recyclable materials in Tamil Nadu, aimed at strengthening plastic waste management capabilities and supporting the establishment of new company-owned bale centers.

Joint Venture for Value Addition: A new joint venture, Ganesha Recycling Chain Private Limited, was formed with Ganesha Ecosphere JV Company formed on 10th September, 2024 with 51% Stake. This collaboration aims to launch numerous washing lines across India to transform PET bottles into premium rPET flakes, marking a pivotal step in vertical integration.



Community and Industry Engagement



Waste Collection Drive

RACE successfully conducted a "Planet First – The Race We Must Win" Waste Collection Drive in various institutions, focusing on paper, plastic and e-waste, reinforcing environmental commitment and community engagement.



Industry Participation

The company participated in the GCPRS 2025 (Global Conference on Plastic Recycling & Sustainability), showcasing its sustainable solutions and circular economy initiatives.

The migration to the NSE Main Board in FY24 likely provided enhanced capital access and visibility, which appears to have fueled the accelerated pace of strategic initiatives in FY25. This includes new acquisitions, the formation of a significant joint venture, the deployment of RVMs, the establishment of expanded collection centers and the hiring of new recruits to diversify waste streams.

The combination of physical expansion through new collection centers and acquisitions, technological innovation exemplified by the RACE App and RVMs and active community engagement through waste drives and talent recognition events demonstrates a holistic strategy to formalize the unorganized market.

Journey so Far

FY 2021

The company initiated its journey into the waste management sector with the goal of

"Organising the unorganised".

RACE Eco Chain Ltd.

was founded as an environmentally conscious initiative.

FY 2022

The company received approval from the Food Safety and Standards Authority of India (FSSAI) to use recycled plastics as food contact materials.

FY 2023

RACE Eco Chain Ltd. successfully raised **₹ 26.68 Crores from its IPO.**

The company's revenue for FY23 stood at **₹269.08 crore.**

The company was certified by the Central Pollution Control Board (CPCB) as a Professional Waste Management Service Provider.

They published their inaugural Business Responsibility and Sustainability Report (BRSR) for FY23, demonstrating a commitment to ethical and responsible business practices.

The company made a strategic investment in Rudra Ecovation, a leading sustainable textile manufacturer. This was done to secure a long-term, exclusive supply of waste PET bottles, which is expected to boost operational performance.

FY 2024

The company successfully migrated from the SME platform of BSE to the main board of the National Stock Exchange (NSE) and BSE on May 9, 2023.

Revenue for FY24 grew to **₹338.50 crore**, a 26% year-on-year growth.

RACE Eco Chain formed a strategic alliance with **Ganesha Ecosphere Ltd.**, India's largest PET waste recycler, which will include an equity investment from Ganesha Ecosphere. This alliance has paved the way for further value addition opportunities.

The company disinvested from its earlier subsidiary, Abhay Innovative Recycling, as it will no longer serve this role.

The company received various certifications, including **ISO 9001, ISO 14001, ISO 45001, ISO 50001** and a SMETA audit.

The Biomass Division grew by over 50% year-on-year, supplying over 52,000 MT of biomass and generating approximately ₹44 crore in revenue for FY24.

The company is contemplating establishing dedicated collection centers with ESG adherence as a core principle.

An ESG assessment by CARE Advisory Research and Training Limited resulted in a score of 58 out of 100.

The **"RACE App"** was developed to streamline the waste selling process, offer a transparent price negotiation platform and ensure efficient logistics.

The company has a strong focus on organizing the unorganized waste sector and ensuring end-to-end (E2E) traceability to capitalize on emerging opportunities.

FY 2025

PET Tonnage Reaches 95,318 MTA

Collection Centers Opened in 5 New Locations

Reverse Vending Machines(RVM) Installed In Business Parks and Collages

Participated in Global Conference on Plastic Recycling & Sustainability 2025

Waste Collection Drive organized under the banner of "Planet First" in various institutions.

Awards and Recognition

Got Leaders of
Sustainability-Indo-Thai
Delegation Award



Got recognised
with the LIFA Award
for ESG Excellence



Organic Growth:

- Race Eco Chain and Ganesha Ecosphere Join hands together to form J.V. to establish multiple PET flakes washing lines across India.

In-Organic Growth:

- Race Acquired Vasundhara Envirogreen Private Limited for Strategic Expansion
- Race Invested in Silverline for Strategic Expansion
- Ganesha Ecosphere Limited has done equity investment in Race Eco Chain Limited

Pioneering Sustainable Practices

RACE Eco Chain Ltd. is deeply committed to integrating Environmental, Social and Governance (ESG) principles throughout its operations and value chain. This commitment is foundational to its mission of leading India's transition to a circular economy.

Commitment and Reporting The company is actively transforming its value chain to be ESG-compliant. This dedication is evidenced by its voluntary adoption of SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework, with the FY23 report already published and the FY24 report currently under development. This proactive reporting demonstrates a commitment to transparency and accountability in its sustainability efforts.

India is rapidly advancing toward robust ESG compliance, driven by SEBI's sharpened focus on sustainable and responsible business practices. What began in 2012 with mandatory BRSR* reporting for the top 100 listed companies (by market capitalization) has now expanded to cover the top 1,000 companies—underscoring the regulator's commitment to transparency, accountability and long-term value creation. This shift marks a significant step in embedding ESG at the core of corporate strategy, urging businesses of all sizes to align with globally recognized sustainability standards.



Pioneering Sustainable Practices

SEBI has taken a forward-looking approach to meet the rising demand from investors for transparent and credible ESG disclosures by listed companies. In a significant move, it has introduced the BRSR Core framework—designed to ensure higher accountability and consistency in ESG reporting. Under this framework, listed entities are now required to obtain mandatory reasonable assurance on BRSR Core disclosures from an independent assurance provider. This mandate applies to the top 150 listed companies (by market capitalization) from FY24 and will progressively extend to cover the top 1,000 companies by FY27. This marks a major step towards standardizing ESG reporting and reinforcing stakeholder trust.

Expanding its focus on complete ESG transparency, SEBI's BRSR Core framework now includes the entire value chain, not just direct operations. Listed companies must disclose ESG factors related to their business relationships with value chain partners, ensuring responsibility for sustainability from start to finish. This requirement starts in FY 2024-25 for the top 250 listed companies by market capitalization and follows a comply-or-explain approach. In addition, limited assurance for these value chain ESG disclosures will also begin in FY 2025-26, following the same comply-or-explain guideline. This important step encourages companies to improve their internal ESG practices and raise standards across their networks, building trust and resilience at all levels.

ESG Score and Goals Race Eco Chain Limited engaged CareEdge Advisory Services in 2023 to conduct an ESG (Environmental, Social and Governance) Grading assessment. **Our company received a score of 58 (out of 100) owing to this assessment.** The organization has worked on enhancing its ESG performance by aligning internal policies and operational practices with sustainable and responsible business standards. This comprehensive assessment provides a detailed evaluation of our performance across key ESG parameters and has been instrumental in highlighting areas of improvement and existing gaps that require focused attention. This initiative reflects Race Eco Chain's commitment to long-term value creation and environmental stewardship.



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This initiative reflects Race Eco Chain's commitment to long-term value creation and environmental stewardship.

Employee covered in Insurance:

Male- 94%, Female- 100%

Workforce Gender Diversity:

Male- 81%, Female- 18%

Board Composition:

Male- 67%, Female- 33%

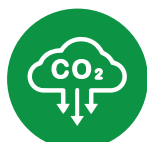
Board Gender Diversity:

Male- 83.34%, Female- 16.66%

The company's broader ESG goals are aligned with the United Nations Sustainable Development Goals (UNSDGs) and include:



Contributing to a green environment through operations and awareness campaigns.



Reducing Scope 1 & Scope 2 emissions.



Ensuring efficient management of premises waste.



Promoting Diversity, Equity & Inclusion.



Fostering the comprehensive well-being of value chain partners.



Leveraging technology for social and environmental good.



Implementing sustainable sourcing practices.

Environmental Impact Created

RACE's operations yield quantifiable environmental benefits:

CO₂ Savings

262,927 Tonnes of CO₂ have been saved, equivalent to the CO₂ emitted by a car covering a distance of 228 crore kilometers.

Biomass Utilization

140,475 Tonnes of CO₂ have been saved by utilizing biomass as an alternative to coal.

Total CO₂ Savings

A cumulative 403,402 Tonnes of CO₂ have been saved through waste management activities to date.

PET Waste Sourcing

239,024 Tonnes of PET waste have been efficiently sourced for recycling.

Electricity Savings

138 crore Kwh of electricity have been saved, enough to power 1,099,703 lives annually.

Water Savings

72 crore Liters of water have been saved, meeting the water needs of 14,552 lives annually.



Key ESG Initiatives by Race Eco Chain



Building an ESG-Compliant Supply Chain: We are standardizing ESG practices across our entire network, from sourcing to processing. This involves ensuring ethical sourcing, strict pollution control and complete material traceability. By collaborating with our partners, we integrate ESG metrics directly into daily operations, creating a more responsible and efficient value chain.

Transparent Reporting and Compliance: To build stakeholder trust, we have voluntarily adopted the Business Responsibility and Sustainability Reporting (BRSR) framework, aligning our disclosures with SEBI's guidelines. We also conduct routine ESG-readiness audits across our supply chain, validating licenses, labor policies and pollution certifications. This process helps our unorganized sector suppliers meet crucial ESG benchmarks.



Technology, Green Infrastructure and Social Equity: Our initiatives are powered by technology. We use the Race App and other IoT platforms for end-to-end traceability, which allows us to monitor material flow and carbon metrics in real-time. We are also committed to green infrastructure, upgrading our facilities with energy-efficient systems to minimize our environmental footprint.

On the social front, we focus on social equity. We empower informal waste workers by providing them with formal jobs and fair wages, promote gender diversity across our workforce and run skilling and awareness programs in underserved communities to foster a more inclusive and equitable society.



Progress Towards Business Sustainability

RACE is actively enhancing its business sustainability through several initiatives:

ESG Committee

An ESG Committee has been established for decision-making on sustainability-related issues, as well as for implementing and overseeing business responsibility policies and progress on ESG goals.

Value Chain Partner Assessment

The company is categorizing its value chain partners to initiate independent third-party ESG assessments for the most actively involved segments.

Technology for Operational Efficiency

The RACE App is designed to optimize the waste selling and delivery process, thereby enhancing operational efficiency for value chain partners and addressing existing disorganization.



Internal Control Automation

To strengthen internal controls, the company is automating and integrating its accounting systems across identified collection centers, which will enhance operational efficiency and contribute to a more robust corporate governance framework.

Traceability Goal

A key objective is to achieve complete traceability for procured PET bottle waste, aiming to bring transparency and accountability to the largely unstructured waste management supply chain.

The proposed demerger into these three distinct entities suggests a belief in their individual growth potential while collectively addressing diverse needs within the circular economy. This integrated approach positions RACE as a comprehensive solution provider, rather than a single-product or single-waste-stream player. By leveraging different waste streams for various end-products, the company enhances its resilience against market.

Management Discussion & Analysis (MDA)

Shaping a Sustainable Future: RACE at the Forefront of India's ESG Transformation

India is undergoing a powerful shift — one where sustainability is no longer optional, but essential. With evolving regulations and heightened expectations from stakeholders, the country is embedding ESG principles deep into the fabric of business practices.

The Securities and Exchange Board of India (SEBI) is leading this transformation. What began over a decade ago as a pioneering step in ESG reporting has now matured into a robust mandate. Today, the top 1,000 listed companies must report through the Business Responsibility and Sustainability Reporting (BRSR) framework — ushering in a new era of transparency and accountability. But change doesn't stop there.

Starting FY 2024-25, SEBI is introducing BRSR Core — a more rigorous ESG framework requiring independent reasonable assurance of disclosures. The rollout begins with the top 150 companies, expanding to the top 1,000 by FY 2026-27. This move isn't just about compliance — it's about credibility, comparability and trust in corporate sustainability narratives.

One of the most impactful additions?

The inclusion of value chain ESG reporting.

From FY 2024-25, companies among the top 250 by market capitalization must begin disclosing ESG metrics related to their value chain partners — initially on a comply-or-explain basis, with limited assurance becoming mandatory from FY 2025-26. This signals a landmark shift: sustainability can no longer stop at a company's doorstep — it must flow across the entire ecosystem



At RACE, we've been preparing for this moment.

Our ethos has always centered around building systems that are resilient, responsible and regenerative. We've consistently aligned our operations and partnerships to enable long-term sustainability, not just for ourselves, but for the businesses and communities we serve.

As SEBI enforces value chain-level ESG accountability and the government tightens plastic recycling targets for Producers, Importers and Brand Owners (PIBOs) under the Extended Producer Responsibility (EPR) framework, companies face a dual challenge:

- Meeting stringent compliance norms
- Navigating a fragmented waste management ecosystem dominated by unorganized players

This is where RACE makes the difference.



More Than Compliance – We Build Capacity

With our deep sector expertise, ESG-driven innovation and tech-enabled platforms, RACE is uniquely positioned to bridge the formal-informal divide. We provide actionable, scalable and traceable solutions that empower companies to:

- ✓ Stay ahead of compliance curves
- ✓ Integrate sustainability into the core of their operations
- ✓ Strengthen the integrity and impact of their value chains

In a world demanding greater transparency, responsibility and shared value, RACE stands as a trusted partner – not only helping businesses adapt but thrive in a new sustainability-driven economy.

This is the future. And it's being written now.

Together, let's move beyond box-ticking and toward real transformation. Let's reimagine value chains as networks of shared purpose. Let's turn compliance into leadership.

Because at RACE, we believe when sustainability becomes systemic, progress becomes unstoppable.



India's Plastic Waste Generation

India's growing economy and industrial expansion have driven a sharp increase in plastic waste generation. Sectors like manufacturing and retail heavily rely on plastic packaging, while the booming e-commerce industry has significantly added to plastic consumption, especially in logistics and delivery packaging. In healthcare, plastic remains irreplaceable due to hygiene and safety standards. India generated 17.60 million tons of plastic waste in 2023, growing at a CAGR of 11.16% from 2017 to 2023. The market is projected to reach 31.66 million tons by 2029, with a projected CAGR of 10.28% during 2023–2029, emphasizing the need for robust waste management systems.



India's Waste Plastic Recycling Market

The plastic recycling sector in India is gaining momentum, driven by population growth, rapid urbanization, & increasing environmental awareness. Government initiatives, policy support and infrastructure investments are further propelling the industry. Additionally, the demand for recycled materials across sectors is aligned with circular economy principles, presenting both ecological and economic opportunities. India's waste plastic recycling market reached 10.80 million tons in 2023, growing at a CAGR of 13.43% from 2017 to 2023. It is expected to reach 23.71 million tons by 2029, at a projected CAGR of 14.00% during 2023–2029.



India's PET Waste Generation

India generated 2.04 million tons of PET waste in 2023, growing at a CAGR of 7.80% between 2017 and 2023. The market is expected to reach 4.24 million tons by 2029, registering a strong CAGR of 12.97% from 2023 to 2029. This highlights the pressing need for structured PET waste management and recycling systems.



India's PET Waste Management

Approximately 90% of India's total plastic waste undergoes recycling. Within this, the share managed by organized players has increased from 36% in 2017 to an estimated 45% in 2024. This shift is driven by tightening regulations, increased sustainability efforts, growing consumer awareness and the efficiency of formalized systems. The role of organized players is expected to further grow due to global sustainability commitments and national policy enforcement.

India's PET Bottle Consumption Market

The Indian PET bottle consumption market reached 1.14 million tons in 2023, growing at a CAGR of 6.42% from 2017 to 2023. It is projected to reach 2.34 million tons by 2029, at a CAGR of 12.69%. Growth is fueled by rising demand for packaged beverages, growing middle-class consumption, convenience of PET bottles and increasing usage in industries like personal care and pharmaceuticals.



India's Biomass Industry Outlook

As per Transparency Market Research, India's biomass industry was valued at USD 1.7 billion in 2019 and is projected to reach USD 4 billion by 2030, growing at a CAGR of 8%. The Ministry of Power revised its biomass policy in June 2023, mandating 5% biomass co-firing in thermal power plants from FY 2024-25, rising to 7% from FY 2025-26. Benchmark pricing for pellets has also been introduced to support a sustainable biomass ecosystem, enhance farmer participation and reduce stubble burning.

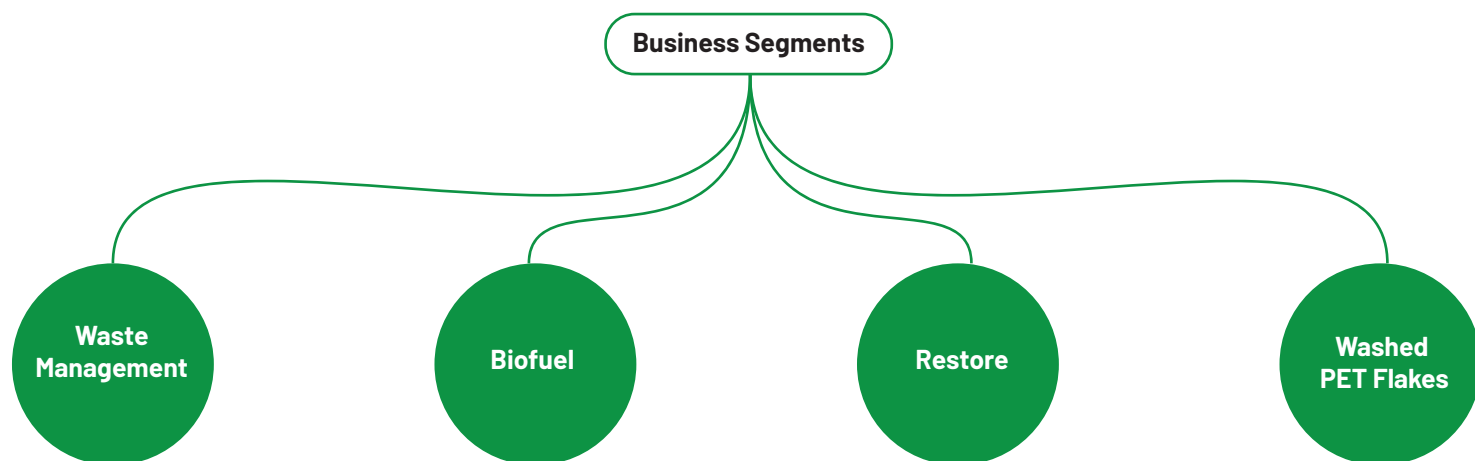


Compressed Biogas Blending Obligation (CBO)

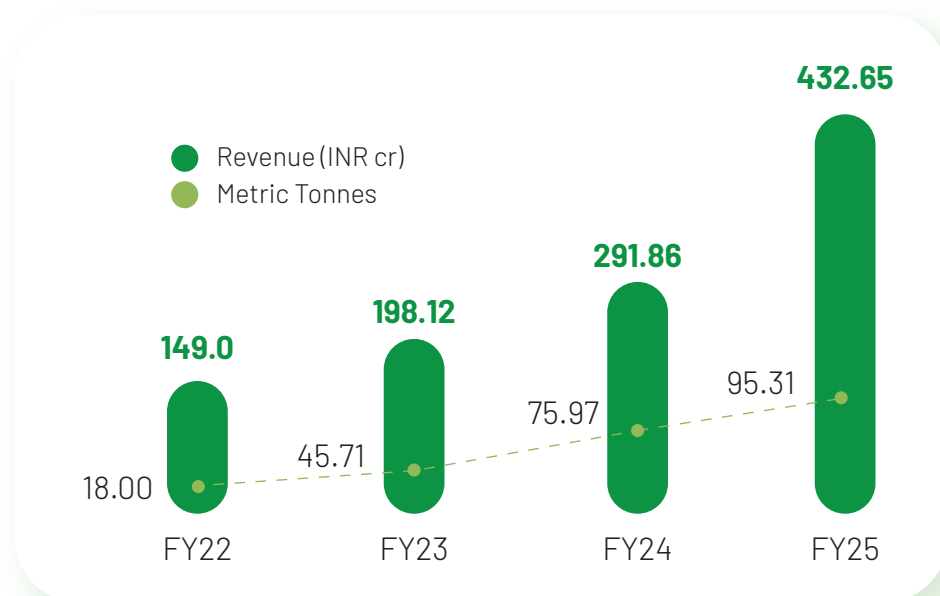
To accelerate the adoption of green energy, the Indian government has introduced mandatory blending of Compressed Biogas (CBG) in CNG and PNG networks. The obligation starts at 1% in FY 2025-26, increases to 4% in FY 2027-28 and reaches 5% from FY 2029 onwards. This policy aims to promote domestic biogas production and consumption while reducing dependence on fossil fuels.

Business Model

We operate an integrated circular economy platform that transforms waste into value through our four strategic business segments. Our comprehensive approach encompasses the systematic collection and supply of recyclable waste materials to authorized recyclers, while simultaneously manufacturing and marketing premium recycled products under our proprietary brands. This diversified business model reinforces our commitment to sustainable resource management while creating multiple revenue streams across the waste-to-value chain.



Waste Management



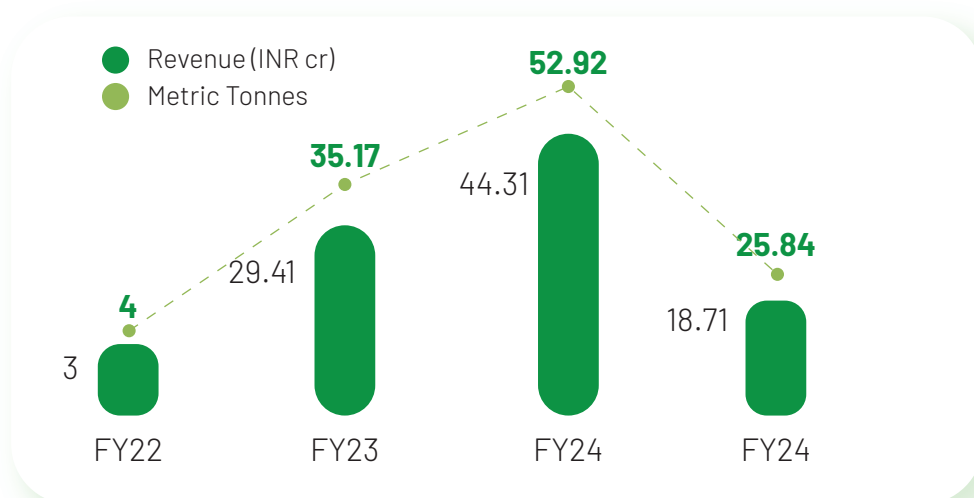
(figures on standalone basis, metric tonnes in '000)

We are one of the largest plastic waste aggregators in India, with an average monthly collection and supply capacity of approximately 7,943 metric tons. In FY25, we successfully aggregated nearly 95,318 metric tons of plastic waste, representing a robust 25% year-on-year growth.

Standalone revenue from this segment reached INR 432.65 crore, reflecting a strong 48% increase compared to the previous year. While PET bottles remain our primary focus, we are actively exploring opportunities to diversify into other plastic waste streams.

Backed by a favourable regulatory environment for plastic packaging materials, we are strategically positioned to scale up to an annual run-rate of 150,000 metric tons of plastic packaging waste aggregation in the near future.

Biofuel



(figures on standalone basis, metric tonnes in '000)

Our company supplied approximately 25,840 metric tons of biomass to prominent clients including Reliance, CEAT, Orient Bell, PepsiCo, Ultra-Tech and others. Despite our continued efforts, the segment witnessed a decline of 51% year-on-year in our tonnage. Our performance during the year was impacted by disruptions in the biomass procurement value chain. Hence, prompting the management to initiate comprehensive restructuring of the biomass procurement ecosystem to address these challenges.

Revenue from biomass stood at INR 18.71 crore, contributing around 4% to our total revenue for FY25 (on standalone basis). However, this represents a significant drop in both revenue and profitability compared to the previous year, due to the aforementioned reasons.

While FY25 was a challenging year, we are implementing targeted interventions to rebuild our supply chain resilience and are confident in restoring the growth trajectory in upcoming quarters.

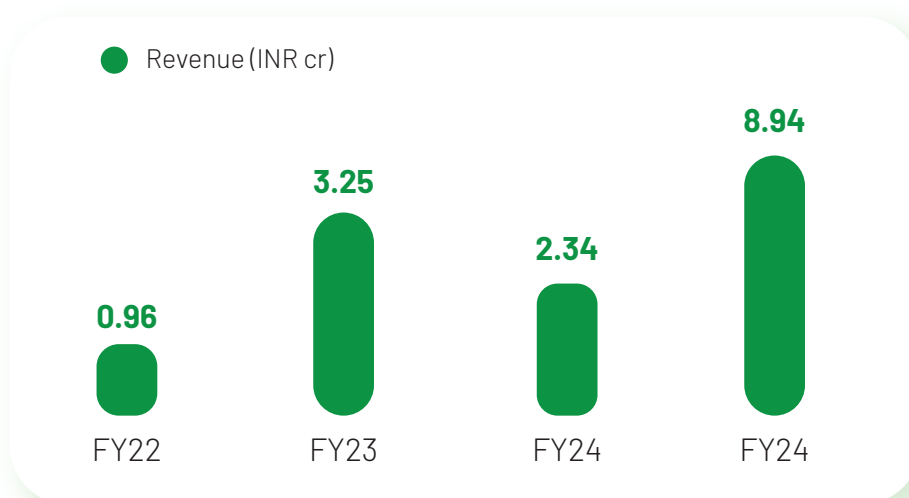
Our Biofuel Clientele



Restore

Our commitment to environmental stewardship extends through our "Restore" brand, under which we manufacture and market premium recycled products including bags, cushions, curtains and table mats across India and international markets. This sustainability-focused division demonstrates our dedication to circular economy principles while creating meaningful value for stakeholders.

While the Restore division currently contributes approximately 2% of our standalone revenue, it represents one of our most dynamic growth engines. In FY25, this segment delivered exceptional performance with revenue surging nearly four-fold from INR 2.34 crore in FY24 to INR 8.94 crore in FY25—a remarkable 282% year-over-year growth that marks both market demand for sustainable products and the strength of our execution capabilities.



Washed PET Flakes



In a landmark move to strengthen our position in the circular economy, we entered into a transformative joint venture with Ganesha Ecosphere, establishing Ganesha Recycling Chain Limited. This strategic partnership represents a significant milestone in our commitment to sustainable manufacturing and environmental stewardship.

Our collaboration focuses on launching multiple state-of-the-art washing lines across India, designed to transform post-consumer PET bottles into premium recycled PET (rPET) flakes. This initiative addresses the rapidly escalating demand for recycled PET materials in India, driven by stringent ESG mandates and evolving regulatory requirements that prioritize sustainable packaging solutions.

The partnership marks a significant forward integration of RACE's business operations, strategically positioning us for higher-margin opportunities in the PET waste value chain. The setup and installation of washing lines is currently progressing as planned, with commercialization of operations expected in the forthcoming quarters.

Financial Statement Analysis

The financial results presented below reflect our strong growth trajectory and demonstrate our continued ability to deliver exceptional value to stakeholders. Our performance across key metrics reinforces confidence in our strategic direction and establishes a solid foundation for sustainable future growth.

Standalone Income Statement

INR Cr

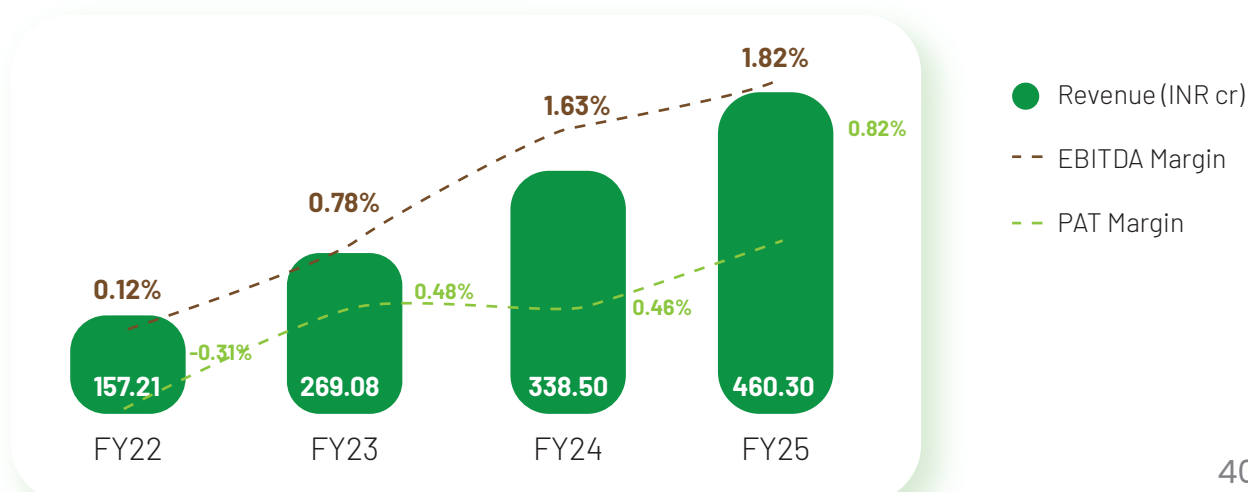
Particulars	FY22	FY23	FY24	FY25
Revenue from Operations	157.21	269.08	338.50	460.30
Operating Costs	157.03	267.00	332.97	451.92
Operating Profit (EBITDA)	0.18	2.09	5.53	8.38
Other Income	1.62	0.85	0.67	1.11
Finance Costs	0.42	0.70	2.84	4.05
Depreciation and amortization	0.33	0.44	0.66	0.68
Profit Before Tax (PBT)	1.06	1.79	2.70	4.76
Less: Tax expense	0.14	0.48	1.13	1.01
Profit After Tax (PAT)	0.92	1.30	1.57	3.76

With the vision of **"Organising the Unorganised,"** we embarked on our journey in the waste management sector in **FY21**. Since then, we have demonstrated strong and consistent growth, achieving a **CAGR of approximately 43% over the past three years.**

FY25 marked a year of exceptional financial performance, with our company delivering robust top-line growth. Standalone revenue reached ₹460.30 crore, representing a strong year-over-year growth of 36% compared to ₹338.50 crore in FY24. This impressive revenue expansion demonstrates the resilience of our business model and our ability to capitalize on emerging environmental opportunities.

Our bottom-line performance showcased improvement, with standalone Profit After Tax (PAT) more than doubling from ₹1.57 crore in FY24 to ₹3.76 crore in FY25—an exceptional 140% year-over-year increase.

The PAT margin expansion from 0.46% in FY24 to 0.82% in FY25 reflects our focused efforts on optimizing operational efficiency and maximizing value extraction from our core business activities. The convergence of strong revenue growth with accelerated profitability improvement is resulting from our strategic focus on organizing the waste management value chain.



Consolidated Income Statement

INR Cr

Particulars	FY24	FY25
Revenue from Operations	347.48	555.10
Operating Costs	341.71	545.40
Operating Profit (EBITDA)	5.77	9.70
Other Income	0.70	0.90
Finance Costs	2.94	4.24
Depreciation and amortization	0.80	0.87
Share of Profit / Loss in Associate Companies	0.00	0.06
Profit Before Tax (PBT)	2.73	5.55
Less: Tax expense	1.18	1.35
Profit After Tax (PAT)	1.55	4.19

Consolidated revenue from operations surged to ₹555.10 crore in FY25, marking a robust 60% year-over-year growth from ₹347.48 crore in FY24. This impressive top-line expansion was achieved through our subsidiaries Vasundhara Envirogreen Private Limited and Silverline Eco Thrive Limited, showcasing the synergistic benefits of our diversified operations across the environmental solutions sector.

Our consolidated performance delivered bottom-line improvements with Profit After Tax increasing by 170% from ₹1.55 crore in FY24 to ₹4.19 crore in FY25 with Operating Profit (EBITDA) growing by 68% to ₹9.70 crore.

These consolidated results reflect the effectiveness of our integrated business approach, where our subsidiaries contribute meaningfully to overall growth while maintaining operational efficiency. The strong financial performance across our consolidated entities positions us well for continued expansion and value creation in the evolving environmental solutions marketplace.

Demerger

“Way Ahead For Race”

To enhance operational focus and improve capital allocation, the Board of RACE has proposed a strategic demerger of its existing business segments into three distinct entities. As part of this process, shareholders will receive shares in two additional listed entities alongside RACE.

Potential Benefits of the Demerger:



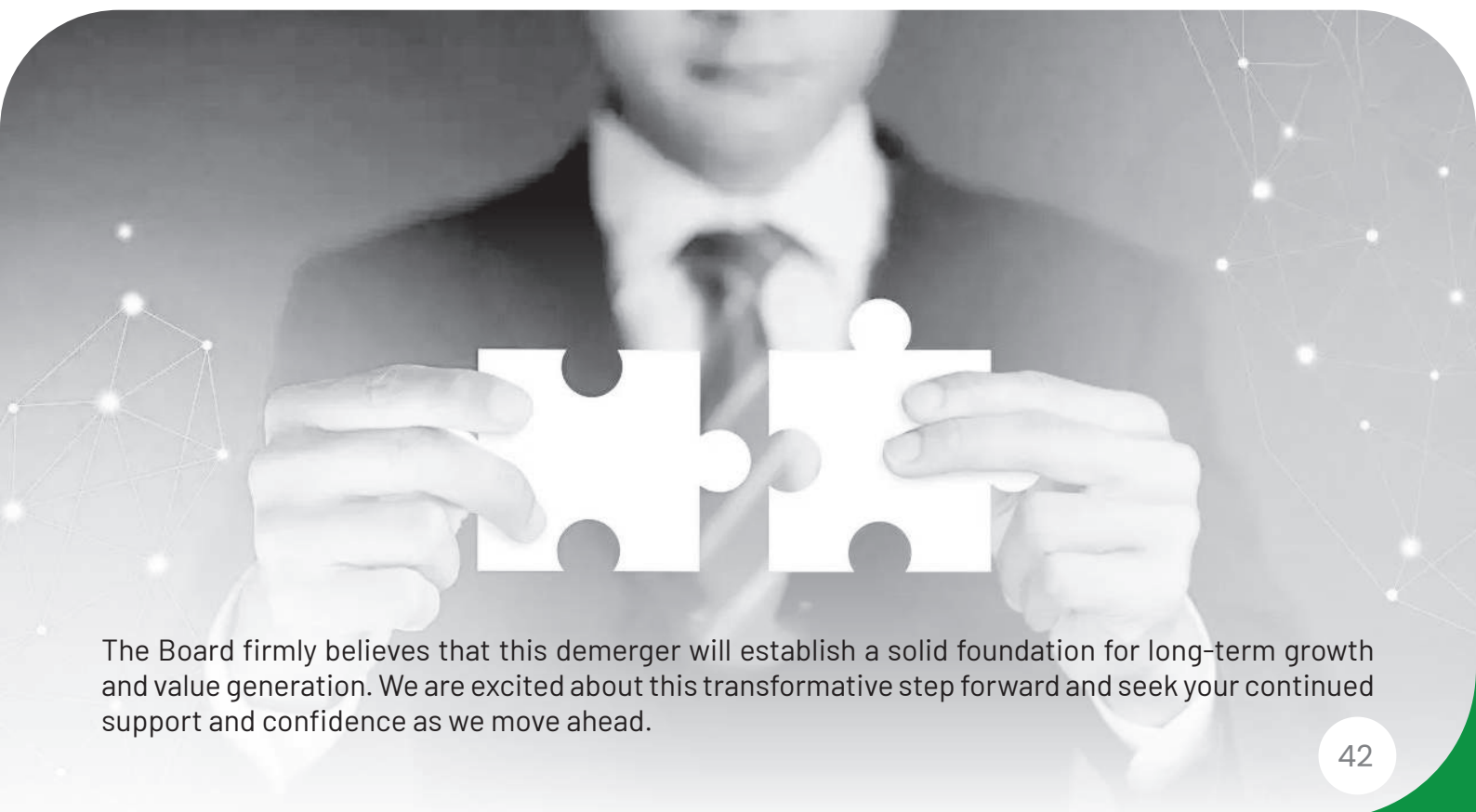
Unlocking Segment-Specific Value

Each business segment will operate independently, allowing for sharper strategic direction, increased operational efficiency and clearer market positioning. This structure empowers each entity to pursue its unique goals with agility, revealing the true potential of every business vertical.



Improved Capital Allocation

With separate entities, capital can be deployed more effectively based on the specific growth prospects and financial requirements of each business. Tailored investment strategies will enhance value creation across all segments.



The Board firmly believes that this demerger will establish a solid foundation for long-term growth and value generation. We are excited about this transformative step forward and seek your continued support and confidence as we move ahead.

Organic Growth

Race Eco Chain and Ganesha Ecosphere Join hands together to form J.V.- Race and Ganesha Race Eco Chain and Ganesha Ecosphere have come together to form a strategic joint venture Ganesha Recycling Chain Pvt. Ltd. This Joint Venture aims to set up multiple PET flakes washing lines across India, addressing the rising demand for high-quality rPET flakes used in B2B manufacturing. By combining the expertise in collection, processing and recycling, the two industry leaders are committed to strengthening the circular economy and meeting the evolving needs of sustainable manufacturing.

Benefits of the Joint Venture:

Increased Production Capacity

Establishing multiple washing lines will significantly boost the supply of premium-grade rPET flakes to meet growing industrial demand.

Nationwide Footprint

The collaboration enables rapid expansion across key regions in India, improving access to raw materials and optimizing logistics.

Quality Assurance

Leveraging Ganesha's technical know-how and Race's collection network ensures consistent, high-quality output aligned with global standards.

Sustainability Leadership

The JV strengthens both companies' commitment to sustainability by promoting closed-loop recycling and reducing plastic waste.

Business Synergy

The partnership merges Race's efficient collection infrastructure with Ganesha's proven recycling capabilities, creating a scalable and future-ready model.



In-Organic Growth

1. Race Acquires Vasundhara Envirogreen Pvt. Ltd. for Strategic Growth

RACE Eco Chain Ltd. has successfully acquired Vasundhara Envirogreen Private Limited, a prominent supplier of recyclable materials based in Uttar Pradesh. This strategic acquisition is a significant step toward strengthening our nationwide plastic waste management network and aligns with our long-term vision of building a more robust and integrated circular economy.

Key Benefits of the Acquisition:

- **Enhanced Collection Capacity:** Vasundhara's established presence in northern India will significantly boost our waste collection volume, helping us meet the growing demand from recyclers and brand owners.
- **Operational Synergies:** The integration of Vasundhara's operations with RACE will enable process optimization, leading to improved efficiency and reduced costs across the value chain.
- **Improved Profitability:** By streamlining logistics and leveraging scale, the acquisition is expected to contribute to higher margins and sustainable profitability.
- **Expanded Market Reach:** Vasundhara's strong local network will provide RACE with deeper market penetration in the region, enabling faster growth and broader impact.
- **Stronger Value Chain Integration:** This move supports our goal of creating an end-to-end ecosystem, from collection to recycling, under a unified, traceable and ESG-compliant framework.

This acquisition marks a vital milestone in our journey to become India's most trusted and efficient waste management platform and we are excited about the opportunities it brings for growth, impact and value creation.



In-Organic Growth

2. Race Invests in Silverline for Strategic Expansion:

RACE Eco Chain have done strategic investment in Silverline, a leading supplier of recyclable materials based in Tamil Nadu. This investment is a key step in our long-term vision to strengthen and scale our plastic waste management infrastructure across India, particularly in the southern region.

Key Benefits of the Investment:

- **Strengthening Regional Presence:** The partnership enhances our footprint in South India, allowing us to tap into one of the most dynamic recycling markets in India.
- **Boosting Collection Efficiency:** The investment will significantly increase Silverline's operational capacity for plastic waste collection, enabling more streamlined and efficient aggregation from the source.
- **Establishing New Bale Centers:** This collaboration will facilitate the setup of multiple company-owned bale centers, improving material handling, traceability and logistics.
- **Expanding the Exclusive Baler Network:** With an expanded network of exclusive balers, we aim to create a more organized and consistent supply of quality recyclable material.
- **Accelerating Circular Economy Goals:** By building robust infrastructure at the grassroots level, this partnership will contribute directly to our mission of creating a circular economy and supporting EPR compliance for brand owners.

This strategic investment reflects RACE's continued commitment to building a future-ready, sustainable waste management ecosystem across India.



3. Ganesha Ecosphere Acquires Stake in Race Eco Chain- Ganesha Ecosphere Limited

RACE Eco Chain Ltd., India's leading PET waste aggregator, has entered into a transformative strategic alliance with Ganesha Ecosphere Ltd., the India's largest PET waste recycler. As part of this collaboration, Ganesha Ecosphere is making a strategic equity investment in RACE, reinforcing a shared vision to revolutionize India's plastic waste management landscape.

Strategic Initiatives & Key Benefits

Reimagining the Waste Management Supply Chain

This alliance brings together two industry pioneers to transform and streamline India's fragmented waste management system. By integrating our expertise in collection with Ganesha's advanced recycling capabilities, we aim to create an efficient, scalable and sustainable value chain that meets the increasing demand from brand owners for eco-friendly solutions.



Setting Up Dedicated Collection Centers:

We plan to establish dedicated collection centers exclusively for Ganesha Ecosphere, following a similar model to our collaboration with Rudra Ecovation. These centers will be built to meet strict Environmental, Social and Governance (ESG) standards, ensuring full traceability and responsible waste handling.



Driving Compliance and Sustainability:

With Extended Producer Responsibility (EPR) mandates now in effect from FY25 and SEBI's ESG regulations impacting the entire value chain, there is an urgent need for organized and compliant waste management systems. This partnership positions us to efficiently support brand owners in meeting their regulatory commitments while enhancing overall sustainability.

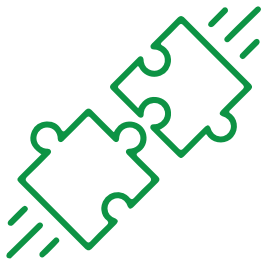


Unlocking Value-Addition Opportunities:

The strategic tie-up opens new avenues for growth and innovation within RACE. By aligning our operational strengths with Ganesha's recycling leadership, we can unlock synergies that enhance competitiveness, expand our service offerings and explore innovative recycling models.

Strategic Initiatives & Key Benefits

Reimagining the Waste Management Supply Chain



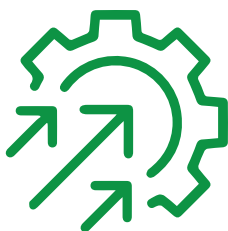
Bridging the Sustainability Gap:

A significant portion of India's waste supply chain remains unorganized, contributing to inefficiencies and environmental impact. This collaboration aims to bridge that gap by building a structured, traceable and sustainable waste ecosystem, fostering a more circular economy.



Attracting Demand from Brand Owners:

With increasing regulatory pressure, brand owners are seeking reliable partners to fulfill their EPR obligations. Our organized infrastructure and strategic partnership with Ganesha Ecosphere make us a preferred choice, creating a strong demand-pull effect for our services.



Boosting Operational Performance:

We anticipate significant structural improvements in our operating performance through shared resources, enhanced scalability and process optimization. This will drive long-term profitability and solidify our leadership in India's sustainable waste management industry.

RACE Mobile App

A Landmark in Digital Transformation

As part of RACE Eco Chain's ongoing digital transformation journey, we are proud to announce the launch of our new mobile application—a significant milestone that reflects our commitment to innovation, efficiency and sustainability. This powerful digital tool is designed to modernize the waste management supply chain by organizing unstructured processes and streamlining waste transactions across India.

App Overview & Core Features

The RACE mobile app is a user-centric platform that consolidates multiple services and features to meet the evolving needs of recyclers, suppliers and stakeholders. Its key highlights include:

Real-Time Data & Insights:

Instant access to performance metrics, transaction histories and operational reports.

Traceability:

Robust tracking features allow users to trace the origin and destination of recyclable materials, ensuring transparency and accountability throughout the value chain.

Integrated Services:

A single platform for customer support, project tracking, resource allocation and more.

Quality Assurance:

Every process within the app follows stringent quality protocols, reinforcing our commitment to environmental integrity and service excellence.

Enhanced Communication:

Built-in messaging and smart notifications ensure timely and secure interactions.

Quick & Secure Payments:

Easy billing and instant payment options streamline transactions once material is delivered to buyers.

User-Friendly Interface:

A sleek, intuitive design that simplifies navigation and boosts user experience.

PAN India Network Integration:

Seamless access to our nationwide network of recyclers and suppliers, ensuring consistency and supply reliability across regions.

Strategic Objectives

The launch of this mobile app marks a critical step in RACE's evolution as a tech-enabled sustainability leader.

Our key objectives include:



Driving Operational Efficiency:

Digitizing workflows to reduce manual processes and improve turnaround time.

Enhancing Traceability:

Promoting greater visibility across the waste supply chain to support ESG compliance and EPR reporting.

Boosting User Satisfaction:

Delivering a seamless, intuitive experience that caters to the real-time needs of users and partners.

Organizing the Unorganized:

Empowering informal sector stakeholders by integrating them into a transparent, traceable digital ecosystem.

RACE mobile application is not just a new digital tool, it's a strategic asset that propels RACE toward its mission of building an efficient, transparent and sustainable waste management infrastructure. As we continue to expand our digital capabilities, we look forward to unlocking new opportunities, creating greater value for our stakeholders and setting new benchmarks in the circular economy.

Now available on Android Play Store and Apple App Store.

Operational Highlights & Strategic Imperatives:

The past year was defined by a series of high-impact initiatives that directly address market opportunities and enhance our competitive advantage.

Strategic Expansion: The acquisition of Vasundhara Envirogreen Private Limited was a pivotal move. This not only expanded our collection capabilities but also unlocked crucial synergies, leading to increased profitability and a larger market share in Uttar Pradesh.

Collaborative Growth: Our joint venture with Ganesha Ecosphere to form Ganesha Recycling Chain Pvt Ltd is a game-changer. This collaboration addresses the growing demand for high-quality rPET flakes and will establish multiple washing lines, creating a more robust supply chain for the B2B sector.

Infrastructure & Network Growth: We successfully established new collection centers in Jharkhand, Noida, Bangalore and Gorakhpur. These new hubs are the nerve centers of our operations, significantly boosting our capacity and reinforcing our commitment to organizing the unorganized waste supply chain.

Talent & Diversification: We strategically on-boarded new talent to increase our focus on high-growth segments like Copper, Biomass briquettes and Industrial plastic waste. This diversification reduces risk and opens up new revenue streams, strengthening our position in the broader resource recovery market.

Community & Brand Building: The launch of our Reverse Vending Machines (RVMs) in colleges and the execution of a large-scale Waste Collection Drive are key to our brand-building efforts. These initiatives are crucial for promoting sustainable habits and building a positive brand image among the next generation of consumers.



The Market Landscape

Opportunities and Challenges

The Indian waste management sector presents a dynamic landscape characterized by significant growth, evolving regulatory frameworks and a critical need for formalization. RACE Eco Chain Ltd. is strategically positioned to capitalize on these trends.



India's Waste Management Market Dynamics

India's economic expansion and industrial output have driven a substantial increase in plastic waste generation, reaching 17.60 Million Tons in 2023. Concurrently, the Indian waste plastic recycling market has shown robust growth, achieving 10.80 Million Tons in 2023 with a 13.43% Compound Annual Growth Rate (CAGR) from 2017-2023. This market is projected to nearly double, reaching 23.71 Million Tons by 2029, with an anticipated 14.00% CAGR.

Within this, the market for PET waste generation is also expanding rapidly, reaching 2.04 Million Tons in 2023 (7.80% CAGR 2017-2023) and projected to more than double to 4.24 Million Tons by 2029, exhibiting a 12.97% CAGR. Similarly, Indian PET bottle consumption, which stood at 1.14 Million Tons in 2023 (6.42% CAGR 2017-2023), is expected to grow significantly to 2.34 Million Tons by 2029, with a strong 12.69% CAGR, driven by rising demand for packaged beverages and various industrial applications. A notable trend is the gradual formalization of the sector, with the share of waste handled by organized players increasing from 36% in 2017 to an estimated 45% in 2024. Beyond plastics, the Indian biomass industry is also experiencing substantial growth, valued at around US

1.7 Billion in 2019 and projected to reach US 4 Billion by 2030, at an 8% CAGR.

Favorable Government Policies and Regulatory Environment

Government policies and regulatory shifts are acting as powerful catalysts for the organized waste management sector:

SEBI's Business Responsibility and Sustainability Reporting (BRSR) Framework: SEBI's intensified focus on sustainable business practices has made BRSR reporting mandatory for the top 1,000 listed companies. The BRSR core framework now mandates reasonable assurance on disclosures and extends reporting requirements to value chain partners (on a comply-or-explain basis for top 250 listed entities from FY25).

Mandatory Plastic Recycling Targets (Extended Producer Responsibility - EPR): The government has implemented stringent EPR targets for Producer, Importer and Brand Owners (PIBOs), obligating them not only to meet recycling targets but also to ensure the sustainability of their value chain.

FSSAI Approval for Recycled Plastics: The Food Safety and Standards Authority of India (FSSAI) has permitted the use of recycled plastics as food contact materials. This crucial development is expected to structurally shift the demand for recycled plastic upwards by opening new application areas.

Biomass Co-firing Mandate: The Ministry of Power has mandated a 5% biomass co-firing in Thermal Power Plants (TPPs) from FY25, which will increase to 7% from FY26, creating a guaranteed demand for biomass fuel.

Compressed Biogas (CBG) Blending Obligation (CBO): The government has announced mandatory blending of CBG in Compressed Natural Gas (CNG) and Piped Natural Gas (PNG), starting from 1% in FY26 and escalating to 5% by FY29.

Budget 2024 Support for Biomass: The Union Budget 2024 allocated Rs 150 crore in financial assistance for the procurement of machinery to aid in biomass collection, further bolstering the sector.



These regulatory changes are not merely supportive policies but rather mandates and obligations that fundamentally alter market dynamics, creating a structural, compulsory demand for organized, traceable and ESG-compliant waste management solutions. RACE's business model and strategic investments, such as the Ganesha Ecosphere joint venture for rPET flakes and the Vasundhara and Silverline acquisitions, are perfectly aligned with these regulatory drivers. This indicates that the company is not just benefiting from general market growth but is strategically positioned to thrive from a regulatory push that compels the market towards its core strengths. This alignment is likely to accelerate its market share gains and enhance profitability by capturing demand that is now legally mandated.



RACE Eco Chain's Strategic Positioning & Competitive Advantage

RACE's strong ESG-focused mindset strategically positions it to bridge the existing sustainability gap within the waste management sector, aligning its operations with evolving market demands. The company is explicitly committed to organizing the currently unorganized waste sector and ensuring end-to-end (E2E) traceability. This commitment allows it to capitalize on the significant emerging opportunities driven by regulatory changes and industry demand. RACE's strategic initiatives are progressively strengthening its market dominance, making it an increasingly preferred choice for both existing and potential customers and recyclers. This translates into improved bargaining power and better yields.

RACE offers a comprehensive suite of solutions, including a vast Pan India supplier network, strategically located regional collection centers, a strong ESG focus, plans for setting up washing plants, the innovative RACE App and future integration of AI and blockchain-based solutions for waste management.



While the research explicitly states that the majority of India's recycled waste is handled by the informal sector, which often lacks adherence to health, safety and governance standards, this fragmentation is a significant challenge for overall market efficiency and sustainability. However, RACE's stated mission is precisely to "organize the unorganized waste market" [User Query]. Its core initiatives, such as the RACE App for digitization and the establishment of dedicated collection centers, directly address this fragmentation. The observed increase in the organized sector's share, from 36% in 2017 to an estimated 45% in 2024, confirms that this formalization is already underway. While the fragmented nature of the market presents operational complexities, it simultaneously represents a massive, untapped opportunity for a company like RACE that is systematically building an organized, traceable and ESG-compliant supply chain. This strategic focus positions RACE to consolidate market share and become an indispensable partner for large corporations and FMCG companies that are increasingly pressured by regulations, such as BRSR for value chain, to ensure sustainable waste procurement.

RACE operates across plastic recycling, biomass and recycled products. The plastic recycling market is booming due to EPR and FSSAI approvals. The biomass market is also experiencing significant growth driven by co-firing and CBG blending mandates. The "Restore" recycled products division, though smaller, complements the plastic recycling efforts by transforming waste into consumer-ready goods. The proposed demerger into these three distinct entities suggests a belief in their individual growth potential while collectively addressing diverse needs within the circular economy. This integrated approach positions RACE as a comprehensive solution provider, rather than a single-product or single-waste-stream player. By leveraging different waste streams for various end-products, the company enhances its resilience against market shifts in any one area. This holistic strategy can broaden its appeal to a wider range of industrial clients and consumers, solidifying its position as a key enabler of India's circular economy transition.

Future Outlook

We are entering the next fiscal year with a clear and ambitious roadmap. Our focus will be on integrating our recent acquisitions and joint ventures, optimizing our expanded network of collection centers and leveraging our technological edge to drive further efficiencies. We anticipate continued growth, fueled by strong demand, favorable regulatory policies and our unwavering commitment to innovation. We are not just preparing for the future; we are actively shaping it, ready to embrace the challenges and capitalize on the opportunities that lie ahead.



Corporate Governance

Upholding Ethical Standards

RACE Eco Chain Ltd. is deeply committed to maintaining the highest standards of corporate governance across all facets of its operations. This commitment is fundamental to its role as a responsible corporate citizen, ensuring the protection of shareholder, creditor, investor and client interests. The company's policies are subject to continuous improvement, with the overarching goal of maximizing value for all stakeholders through a framework built on board expertise, consistent resource monitoring and regular board and committee meetings.

Principle

The company's governance philosophy is rooted in transparency, accountability and ethical conduct. This is reflected in its adherence to statutory requirements and its proactive adoption of best practices.



Board Composition and Functions

The Board has 6 members out of which 4 are Non-Executive Independent Directors including a Woman Director with 1 Executive Chairman and Managing Director and 1 is Non- Executive Director. The Independent Directors are highly competent professionals with extensive experience, enabling them to contribute effectively to the company's strategic direction and oversight. The day-to-day management of the company is entrusted to the Managing Director, under the supervision and control of the Board.

The Board's key functions encompass a wide range of responsibilities: reviewing and guiding corporate strategy, major plans of action and annual budgets; setting performance objectives; monitoring implementation and corporate performance; overseeing major capital expenditures, acquisitions and divestments; ensuring the effectiveness of the company's governance policies; selecting, compensating and monitoring Key Managerial Personnel (KMP); aligning remuneration with long-term interests; ensuring a transparent board nomination process that promotes diversity; managing potential conflicts of interest; ensuring the integrity of accounting and financial reporting systems; overseeing disclosure and communications; and monitoring and reviewing the Board's evaluation framework.

Board Committees

To enhance efficiency and specialized oversight, the Board has constituted several committees:



Audit Committee:

This committee comprises Anil Behl (Chairman), Sanjay Kukreja, Rama Nand Gupta (resigned June 5, 2024) and Pranav Vasan (appointed June 5, 2024). It oversees the company's financial reporting, reviews financial statements, recommends statutory auditor appointments and remuneration, monitors auditor independence, reviews the internal audit function, approves related party transactions and reviews compliance with insider trading regulations. The committee met 6 times in FY24.

Nomination and Remuneration Committee:

Comprising Sanjay Kukreja as Chairman, Anil Kumar Behl and Mr. Pranav Vasan as Members of the committee. this committee formulates criteria for director qualifications and independence, recommends remuneration policy for Directors and KMP, devises a Board Diversity policy, identifies qualified individuals for senior management and specifies methodology for performance evaluation. It met 3 times in FY24.

Stakeholders' Relationship Committee:

Chaired by Pranav Vasan, with Anil Behl and Sanjay Kukreja, this committee addresses security holder grievances, reviews measures for effective voting rights, ensures adherence to service standards and manages matters related to share certificates and transmissions. It met once in FY24 and no investor complaints were received during the year.

Voluntarily Adopted Committees:

Demonstrating a commitment to best practices beyond statutory requirements, the company has also voluntarily constituted a Risk Management Committee and a Corporate Social Responsibility (CSR) Committee for enhanced corporate governance comprising Sanjay Kukreja.



Ethical Conduct and Compliance

RACE has implemented a comprehensive framework for ethical conduct. A Vigil Mechanism, in the form of a "Whistle Blower Policy," ensures fair and transparent conduct by employees and the company, upholding high standards of professionalism, honesty, integrity and ethical behavior. An internal committee, comprising the Chairman of the Audit Committee and the Compliance Officer, oversees this mechanism. A Code of Conduct for Board Members and Senior Management personnel has been adopted and is posted on the company's official website, with annual affirmations of compliance received from all relevant individuals. Additionally, a Code for Prevention of Insider Trading Practices is in place and the company confirms compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, reporting no complaints in FY24 and providing POSH training to employees.



Fraud Reporting and Auditor Observations

There were no instances of fraud during the year under review that required the Statutory Auditors to report to the Audit Committee or Board under Section 143(12) of the Companies Act. However, the Secretarial Auditor noted certain observations: a delayed disclosure regarding the acquisition of Abhay Innovative Recycling Limited, a subsidiary and a delayed submission of the grievance redressal mechanism statement on the BSE portal due to a technical glitch, which resulted in a minor fine. The management provided clarifications for these instances, attributing them to human error and technical issues and confirmed that measures have been implemented to prevent future lapses. The Secretarial Auditor also noted a temporary non-maintainability of proper Board composition for some days as per SEBI (LODR) Regulation 17, which the company clarified was due to unforeseen family issues of a proposed appointee director. The management's transparent explanations and immediate corrective actions demonstrate a commitment to rectifying issues and maintaining a high standard of compliance.



Director Relationships and Information Access

Only Mr. Lalit Malik is related to Mr. Sunil Malik (brother); no other directors share familial relationships. The Board and its committees are granted complete access to all relevant information, including annual plans, budgets, financial results, committee minutes, regulatory notices and subsidiary information, ensuring informed decision-making.

The comprehensive governance structure, including the establishment of voluntary committees, demonstrates a commitment that extends beyond mere regulatory compliance. This is particularly crucial for a company operating in a highly regulated and increasingly ESG-focused sector. This proactive approach to governance is expected to enhance the company's reputation, attract responsible investment and support its long-term sustainability goals.

Notice

Notice is hereby given that the **25th Annual General Meeting** of the Members of the **RACE ECO CHAIN LIMITED** will be held on **Wednesday, 24th September, 2025 at 01:00 PM (IST)** through Video Conferencing (VC)/ other Audio Visual Means (OVAM) to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 together with the reports of Board of Directors and Auditors thereon.
2. To re-appoint Mr. Sunil Kumar Malik, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard.

SPECIAL BUSINESS:-

3. **To Appoint Secretarial Auditors of the Company for a term of five (5) consecutive years.**

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

RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. HKS & Associates LLP, Practicing Company Secretaries, Kanpur, a Peer Reviewed Firm (Designated Partner Mr. Hemant Kumar Sajnani) as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from the financial year 1st April, 2025 till 31st March, 2030, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company including its Committee thereof be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.

Regd. Office: Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001
Corporate Office Address: 56/33, Site-4, Sahibabad Industrial Area, Ghaziabad, UP – 201010
Email: contactus@raceecochain.com **CIN:** L37100DL1999PLC102506

4. **Approval of Material Related Party Transactions entered into or to be entered into with M/s. Ganesha Recycling Chain Pvt Ltd and M/s. Silverline Eco Thrive Limited (Subsidiaries Company) during the Financial Year 2025-26, beyond the Materiality threshold as provided in Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

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

RESOLVED THAT pursuant to the applicable provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and other applicable provisions, if any [including any re-enactment(s), modification(s) and/or amendment(s) thereof, for the time being in force] and pursuant to the Company’s Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and the resolutions passed by the Audit Committee and the Board of Directors at their respective Meetings, approval of the Shareholders of the Company be and is hereby accorded to the Company for Related Party transaction(s) and/or contract(s) and/or arrangement(s), entered into or to be entered into during the Financial Year 2025-26, with M/s. Ganesha Recycling Chain Pvt Ltd and M/s. Silverline Eco Thrive Limited (Subsidiaries Companies), beyond the Materiality threshold as provided in Regulation 23(4) of the SEBI Listing Regulations, on such terms and conditions as may be agreed by and between the Company and M/s. Ganesha Recycling Chain Pvt Ltd and M/s. Silverline Eco Thrive Limited, subject to such transaction(s) and/or contract(s) and/or arrangement(s) being based on arm’s length basis and entered into in the ordinary course of the Company’s business, upto an aggregate limit of Rs. 100 Crore (Rupees Hundred Crore Only), whether entered into individually or in series of transaction(s) taken together with the previous transactions during the Financial Year 2025-26.”

RESOLVED FURTHER THAT the Board of Directors and/or the Audit Committee be and is hereby authorized to agree, make, accept and finalize such terms and conditions as may be deemed fit from time to time and execute all such agreement(s), document(s), instrument(s) and writing(s) and do all such act(s), deed(s), matter(s) and thing(s) as may be required or deemed fit, necessary, expedient or desirable, to delegate all or any of its powers herein conferred to give effect to the aforesaid resolution to any Committee, Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s)/ Authorised Representative(s) of the Company and to settle any question, or doubt that may arise in relation thereto, without being required to seek any further consent or approval of the Members to this end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board or its Committees or any person authorized as above, in connection with any matter(s) referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.

5. **To Increase the limit to advance any loan/give guarantee/provide security u/s 185 of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "Entities"), of an aggregate amount not exceeding Rs. 300 Crores (Rupees Three Hundred Crores Only), in its absolute discretion deem beneficial and in the best interest of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

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

Sd/-

**Date: 12th August, 2025
Place: Sahibabad (UP)**

**Sunil Kumar Malik
Managing Director
DIN: 00143453**

Notes:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company shall be held through VC/OAVM. The deemed venue for the 25th AGM shall be the Corporate Office of the Company.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Authorized representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. authorizing them to attend the AGM, by e-mail to cs@raceecochain.com.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special business is annexed to this Notice.
5. Notice of the **Annual General Meeting** and the Annual Report for 2025 will also be available on the Company's website www.raceecochain.com for their download, the website of the Stock Exchange i.e. BSE Limited and NSE Limited and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com

In case any Member is desirous of obtaining physical copy of the Annual Report for the financial year 2024-25 along with the Notice of the 25th AGM of the Company, may send a request to the Company at cs@raceecochain.com or Company's RTA at parveen@skylinerta.com mentioning their Folio No. / DP ID and Client ID.

The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, details for e-voting, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses and other matters as may be required.

Additionally, as per Regulation 36(1)(b) of the Listing Regulations a letter providing the weblink of the Annual Report for financial year 2024-25, will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories/RTA.

6. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 18th September, 2025 to Wednesday, 24th September, 2025** (both days inclusive) for the purpose of the Annual General Meeting.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as VC/OAVM voting on the date of the AGM will be provided by NSDL.

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE and NSE Limited at www.bseindia.com, www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
11. Members, who are wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (SH-13) of Companies Act, 2013 to the Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self-attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **the cut-off date (Record date) Wednesday 17th September, 2025.**

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

The remote e-voting period begins on Sunday, 21st September, 2025 (9:00 am) and ends on Tuesday 23rd September, 2025 (5:00 pm). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members as on the record date (cut-off date) i.e. Wednesday 17th September, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

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

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

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:-

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ”

	under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speed” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :-

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

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:-

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e- Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines:-

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

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@racecochain.com till **20th September, 2025**.

6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. **Mr. Amit Saxena, Proprietor of M/s. Amit Saxena & Associates**, Practicing Company Secretary and has been appointed as the Scrutinizer to scrutinize the e-voting process in affair and transparent manner.
9. The Scrutinizer shall immediately after the conclusion of voting at the meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses, who are not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers' Report of the votes cast in favour or against, if any, not later than 48 (forty eight) hours of conclusion of the meeting to the Chairman or a person authorized by him in writing, who shall countersign the same. The Chairman or any other person authorized by him in writing, shall declare the results of the voting forthwith.
10. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raceecochain.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE of India Limited.

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

Item No. 03

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on August 12th, 2025 have approved and recommended the appointment of M/s. HKS & Associates, LLP, a Peer Reviewed Firm of Company Secretaries in Practice as Secretarial Auditors of the Company for a term of up to 5 (Five) consecutive years to hold office commencing from the financial year 1st April, 2025 till 31st March, 2030.

Details as per Regulation 36(5) of the SEBI Listing Regulations are as follows:

Proposed fees payable to the Secretarial Auditor along with terms of appointment	The proposed remuneration to be paid to Secretarial Auditor for the financial year ending 31st March, 2026, upto ₹ 1,00,000/- (Rupees One Lakh only) plus applicable taxes and out of pocket expenses. The Board of Directors and the Audit Committee shall approve revisions to the remuneration of the Secretarial Auditors, for the balance part of the tenure based on review and any additional efforts on account of changes in regulations, restructuring or other considerations.
Basis of recommendation for appointment including the details in relation to and credentials of the Secretarial Auditor	Considering their qualifications and extensive experience, the Board of Directors on recommendation of the Audit Committee recommends the appointment of M/s. HKS & Associates, LLP Practicing Company Secretaries as the Secretarial Auditors of the Company for a period of Five (5) consecutive years, i.e. from 1st April, 2025 till 31st March, 2030.

The Board of Directors in consultation with the Audit Committee may alter or vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the members of the Company.

Item No. 04

Pursuant to Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain prior approval of the Members by resolution in case related party transactions exceed such sum as specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the company in the ordinary course of business on an arm's length basis.

As per amended Regulation 23(4) of the SEBI Listing Regulations, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an Ordinary Resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) Rs. 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the company whichever is lower.

Members may kindly note that M/s. Ganesha Recycling Chain Pvt Ltd and M/s. Silverline Eco Thrive Limited, Subsidiary Companies are Related Party of the Company in terms of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations. The Company as part of its ordinary course of business has entered into/proposes to enter into agreements/ arrangements/transactions. The transactions to be entered into are majorly in the nature of a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services. and c) transfer of any resources, services or obligations to meet business objectives/requirements, etc.

In financial year 2025-26, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations as the annual consolidated turnover of the company is Rs. 55,599.41 lacs on the basis of last audited financials for the Financial Year ended on March 31st, 2025.

Since the aggregate amount of foreseen contract(s)/transaction(s) to be entered into with M/s. Ganesha Recycling Chain Pvt Ltd and M/s. Silverline Eco Thrive Limited during FY26 may exceed 10% of the annual consolidated turnover, it is proposed to seek approval of Members upto an amount of Rs. 100 Crore. Members are kindly informed that, the Audit Committee and the Board of Directors at their respective meetings approved & recommended the aforementioned proposal for approval of Members by way of an ordinary resolution.

Details required to be furnished as per the SEBI Listing Regulations are mentioned below:

Name of the related party	Name of the Director or Key Managerial Personnel of the company who is related party, if any	Nature of Relations hip/position	Nature, Material Terms and particulars of the Contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution
M/s. Ganesha Recycling Chain Pvt Limited	Subsidiary Company	Subsidiary Company	a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services, and c) transfer of any resources, services or obligations to meet business objectives/ requirements, etc.	The Transactions will be on arm length basis and in the Ordinary Course of Business

M/s. Silverline Eco Thrive Limited	Subsidiary Company	Subsidiary Company	a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services, and c) transfer of any resources, services or obligations to meet business objectives/ requirements, etc.	The Transactions will be on arm length basis and in the Ordinary Course of Business
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None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the members of the Company.

Item No. 05

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 5 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

The Board of Directors recommends the resolution set forth in Item no. 5 of the notice for your approval as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for approval of the members of the Company.

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

**Date: 12th August, 2025
Place: Sahibabad (UP)**

**Sd/-
Sunil Kumar Malik
Managing Director
DIN: 00143453**

Board's Report

To

The Members
Race Eco Chain Limited

Your directors present the 25th Annual Report along with the audited standalone and consolidated financial statements for FY 2024-25.

Financial Highlights:-

The Financial performance of the Company for year ended **31st March 2025** is summarized below: -
(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Income from operations	46029.91	33849.88	55509.54	34,748.13
Other Income	111.47	67.39	89.87	69.87
Total Income	46141.38	33917.27	55599.41	34,818.00
Less: Expenditure	45665.06	33647.17	55051.01	34,545.10
Profit/(Loss) before Interest, Depreciation & Tax	476.33	270.10	548.40	272.91
Less: Interest & Depreciation	-	-	-	-
Profit & Loss Before Tax	476.33	270.10	554.58	272.91
Less: Tax Expense	127.70	84.26	165.43	91.23
Add: Deferred Tax	-19.49	29.12	-22.69	26.97
(Excess) Prov. of tax	-7.64	-	-7.64	-
Profit for the Year	375.76	156.72	419.48	154.70

Company Performance Overview

During the year under review, total income was Rs. 46141.38 Lacs as compared to Rs. 33917.27 Lacs in 2024. Net Sales for the current financial year were Rs.46029.91 Lacs as compared to Rs. 33849.88 Lacs in 2024. Profit after tax (PAT) stood at Rs. 375.76 Lacs as Compared to Rs. 156.72 Lacs in 2024.

Consolidated Financial Performance

The Company achieved a consolidated income of Rs. 55999.40 Lakhs as against Rs. 34818.00 Lakhs in the previous year and Consolidated Net Profit of Rs. 419.48 Lakhs for the Financial Year ended 31st March, 2025 as against a profit of Rs. 154.70 Lakhs in the previous Financial Year.

Share Capital

During the year under review, there is change in the share capital of the Company.

Authorized Share Capital

The Authorized Share Capital of the Company as on 31st March, 2025 is 25,00,00,000 (Rupees Twenty Five Crores) divided into 2,50,00,000 equity shares having face value of 10/- each.

Paid-up Equity Share Capital

During the year under review Company allotted 8,25,000 Equity Shares having face value of 10/- each. The Paid-up Equity Share Capital as on 31st March, 2025 is 17,25,72,000 (Rupees Seventeen Crores Twenty Five Lakhs Seventy Two Thousand only) divided into 1,72,57,200 equity shares having face value of 10/- each.

Reserve & Surplus

During the Financial year 2024-2025 Rs 375.76 Lacs amount to carry or transfer to Reserve & Surplus Account under Companies Act, 2013.

Dividend

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

Subsidiary Company/Associate/Joint Venture

Subsidiary

During the year under Review the Company has the Company has following Indian Subsidiary:-

M/s. India Polymers Private Limited

M/s. Silverline Eco Thrive Limited

M/s. Ganesha Recycling Chain Private Limited

M/s. Vasundhara Envirogreen Private Limited

During the year under review Company disinvest from its Material Subsidiary M/s Abhay Innovative Recycling Limited. Consequent upon the said dis-investment, M/s Abhay Innovative Recycling Limited, ceased to be a subsidiary of the company.

Associate

During the year under Review the Company has one Associate Company M/s. Prime Industries Limited

Joint Venture

During the year under Review the Company has Joint Venture Company which is the subsidiary of the Company.

A statement containing salient features of the Financial Statements of the subsidiaries in the prescribed format in Form AOC-1 as required under first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is included in this Report as “**Annexure 1**” and forms an integral part of this Report.

In terms of the provisions of Section 136 of the Companies Act, 2013 read with the SEBI Listing Regulations, the Audited Financial Statements of the subsidiaries are placed on website of the Company. These financial statements are also available for inspection by any member at the Corporate Office of the Company. Any member desirous of obtaining a copy of the same may write to the Company.

Investor Complaints and Compliance

During the year review NO case was registered on SCORES Portal of SEBI from any investor of the Company and same was resolved by the Compliance Officer of the Company.

Directors and Key Managerial Personal

During the year under review and as on the date of this report, following are the Directors and KMPs. along with the changes among them: -

The Details of Directors and KMP are as Follows: -

Mr. Sunil Kumar Malik	Managing Director
Mr. Lalit Malik	Non-Executive Director
Mr. Anil Kumar Behl	Independent Director
Mr. Sanjay Kukreja	Independent Director
Mr. Pranav Vasan	Independent Director
Mrs. Seema Malik	Independent Director
Mr. Piyanshu Sharma	Chief Financial Officer

Mrs. Shiwati	Company Secretary & Compliance officer
Mr. Raj Kumar Modani	Executive-Director resigned on 28 th May, 2024
Mr. Rama Nand Gupta	Executive Director resigned on 05 th June, 2025

In accordance with the provisions of Companies Act, 2013 Mr. Sunil Kumar Malik, Director retires by rotation and being eligible offers himself for re-appointment.

Directors' Responsibility Statement

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

- that in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Declaration from Independent Directors

As required under Section 149 of the Act, the Independent Directors have submitted the declaration affirming that they meet the Criteria of Independence as provided in Section 149 (6) of the Act and Regulation 25 of Listing Regulations. In the opinion of the Board, the Independent Directors of the Company possess necessary expertise, integrity and experience.

Committees

As on date of this Report, The Board has three Committees which are applicable upon company:-

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

Audit Committee

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

Name	Status	Category
Anil Behl	Chairman	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent
Pranav Vasan	Member	Non-Executive & Independent

Nomination and Remuneration Committee

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

Name	Status	Category
Sanjay Kukreja	Chairman	Non-Executive & Independent
Anil Behl	Member	Non-Executive & Independent
Pranav Vasan	Member	Non-Executive & Independent

Stakeholders' Relationship Committee

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

Name	Status	Category
Pranav Vasan	Chairman	Non-Executive & Independent
Anil Behl	Member	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent

As per Regulation 21 of SEBI (LODR), Regulations, 2015, the Board needs not to constitute Risk Management Committee, wherein majority of the members of Risk and Management Committee should consists of Members of Boards. This regulation is applicable only to top 1000 listed entities, determined on the basis of market capitalization, as at the end of the preceding financial year. Since your Company is not amongst top 1000 listed entities, still your Company has constituted a Risk Management Committee for Good Corporate Governance.

Risk Management Committee

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

Name	Status	Category
Pranav Vasan	Chairman	Non-Executive & Independent
Anil Behl	Member	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent

CSR Committee

As per Section 135 of the Companies Act, 2013, the Board needs not to constitute CSR Committee. Since your Company is not eligible to form the CSR Committee but voluntarily we are adopting the constitution of a CSR Committee for Good Corporate Governance.

Name	Status	Category
Anil Behl	Chairman	Non-Executive & Independent
Sanjay Kukreja	Member	Non-Executive & Independent
Seema Malik	Member	Non-Executive & Independent

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

Board Meetings

During the year 11 Board Meetings and one Independent Directors Meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were adhered to while considering the time gap between two meetings.

During the year under review, the Independent Director met on 25th February, 2025.

Compliance with Secretarial Standards

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

Related Party Transactions

During the year under review, all transactions entered into with Related Parties were approved/ ratified by the Audit Committee and wherever required, were also approved by the Board of Directors of the Company. Omnibus approval from the Audit Committee was obtained for transactions of repetitive nature. During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the Company's Related Party Transactions Policy.

Further, all related party transactions undertaken during the year were at arms' length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable. The related party transactions entered by the Company are disclosed under Note No. 34 of the Notes to the Standalone Financial Statements for the year ended March 31, 2025

Auditors

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Garg Arun & Associates Chartered Accountants (Firm Registration No. 08180N), were appointed as the Company's Statutory Auditors by the shareholders at their 21st AGM held on September 30, 2021, for a period of five years (i.e) till the conclusion of the 26th Annual General Meeting to be held for the financial year 2025-2026

The reports of Statutory Auditors on Financial Statements for the financial year 2024-25 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s. Hemant Kumar Sajnani & Associates., (CP No: 14214, FCS: 7348)**, Company Secretaries to undertake the secretarial audit of the company.

The Secretarial Auditor Report for the financial year 2024-25 forms part of the Annual Report as **'Annexure-2'**

There are No qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Reports.

Internal Auditors

M/s. SSAR & Associates, Chartered Accountants performs the duties of Internal Auditors of the Company and their report is reviewed by the audit committee Quarterly basis.

Reporting of Frauds

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

Listing

The Equity Shares of the Company are presently listed at Bombay Stock Exchange Limited and National Stock Exchange of India Limited and the listing fee, for the year 2025-26, for both the Stock Exchanges paid.

Board Evaluation

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

Business Risk Management

Risk management is an ongoing process and embedded in the operating framework of the Company. Risk Management & Strategic Planning Committee of the Board has been entrusted for timely identification, evaluation and mitigation of all types of internal and external risks including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks etc.

The Committee is responsible for formulating and reviewing the risk management plan/ policy and ensuring its effectiveness across the organization. The Audit Committee of the Board has an additional oversight in the risk management systems prevailing in the Company. There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se those are generally dealt in regular course of business and have to be taken care of, are fluctuations in foreign exchange rates and prices of raw material as well as finished products. The Risk Management Policy has been uploaded on the Company's website.

Policy on Directors' Appointment and Remuneration

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

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2024-2025 and the date of this Report. Further, there was no change in the nature of business of the Company.

Significant and Material Orders Passed by the Regulators or Courts

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

Information Technology and Communications

During the financial year 2024-2025, apart from upgrading the existing software applications with enhanced/ added features to meet the current and emerging business needs, certain new application systems were implemented. Regular Updation of Systems and procedures is undertaken from time to time to provide checks and alerts for avoiding fraud arising out of misrepresentation given by borrower/s while availing loans.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

Conservation of Energy

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

Research and Development

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

Technology Import and Absorption

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

Foreign Exchange Earnings and Out Go

(In Lacs)		
Particulars	2024-2025	2023-2024
Foreign Exchange Outgo	--	--
Foreign Exchange Earnings	59.58	37.28

Extracts of Annual Return

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2024-25, is available on the Company's website at www.raceecochain.com

Corporate Governance

According to the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditors confirming compliance forms an integral part of this Report. The Report on Corporate Governance by Auditor is forming part of Annual Report as an **Annexure-3**

Management Discussion and Analysis Report

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

Public Deposit

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

Corporate Social Responsibility

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

Bonus Issue

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

Auditors' Report

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

Earnings per Share(EPS)

The Earnings per Share (EPS) is Rs. 2.23 as on March 31, 2025 as against Rs. 0.95 as on March 31, 2024.

Regulatory Guidelines/Amendments

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

Codes and Standards Fair Practice Code

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

Internal Control System and their Adequacy

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

Vigil Mechanism / Whistle Blower Policy

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

Particulars of Loans, Guarantees and Investments

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

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

Your Corporation is committed to prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In this regard, internal complaints committees have been constituted to deal with sexual harassment complaints, if any and conduct enquires. There were no complaints received of sexual harassment during the financial year 2024-2025.

Declaration Under Maternity Benefit Act, 1961

The Company has complied with provisions of the Maternity Benefit Act, 1961 read with Rules thereunder at all its locations.

Code of Conduct

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

Code for Prevention of Insider Trading Practices

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

Nomination and Remuneration Policy

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

Particulars of Employees

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-4** which forms part of this Report.

Note of Appreciation

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

By Order of the Board of Directors
Race Eco Chain Limited

Date: August 12th, 2025
Place: Sahibabad (UP)

Sd/-
Sunil Kumar Malik
Managing Director

Sd/-
Pranav Vasan
Director

Annexure-1

Form AOC-1

(Pursuant to first proviso to sub section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

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

Part-A Subsidiaries

Figures (In Rs.)

S. No	Name of the Subsidiary	Silverline Eco Thrive Limited	India Polymers Private Limited	Ganesha Recycling Chain Pvt Ltd	Vasundhara Envirogreen Pvt Ltd
1	The date since when subsidiary was acquired and Percentage	Invest on 06th November, 2024 With 51% Stake	Invest on 12th February, 2024 With 65% Stake	JV Company formed on 10 th September, 2024 with 51% Stake	Invest on 03 rd March, 2025 with 95% Stake
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year Ending on 31st March, 2025	Year Ending on 31st March, 2025	Year Ending on 31st March, 2025	Year Ending on 31st March, 2025
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
4	Share Capital	Authorized Capital- 6,25,00,000 Paid Up Capital- 6,25,00,000	Authorized Capital- 10,00,000 Paid Up Capital- 1,00,000	Authorized Capital- 10,00,00,000 Paid Up Capital- 6,00,00,000	Authorized Capital- 1,00,00,000 Paid Up Capital- 1,00,00,000
5	Reserves and Surplus (Other equity)	71,87,000	(1,91,000)	(9,11,000)	53,764
6	Total Assets	33,32.22,000	60,000	8,05,50,000	1,29,54,458.74
7	Total Liabilities	33,32,22,000	60,000	8,05,50,000	1,29,60,133.66
8	Turnover	104,91,67,000	-	-	1,4359,725.74
9	Profit (loss) before taxation	1,09,46,000	(1,33,000)	(12,18,000)	55,989.80
10	Provision for taxation	37,58,000	-	(3,07,000)	14,263.51
11	Profit (loss) after taxation	71,87,000	(1,33,000)	(9,11,000)	41,898.29

Associates and Joint Ventures Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate companies and Joint Ventures:

Part “B” (Associates)

S. No	Name of the Associates	Prime Industries Limited (Associates)
1	Latest Audited Balance Sheet date	31 st March, 2025
2	Date on which the Associate was associated or acquired	01 st January, 2025
3	Shares of Associate held by the company on the year end	43,50,000
4	Amount of Investment in Associates	5,65,50,000
5	Extent of Holding (%)	20.71%
6	Description of how there is significant influence	Holding 20.71% of shareholding in Prime Industries Limited
7	Net worth attributable to shareholding as per latest Audited Balance Sheet	78731849.25
8	Profit (loss) before taxation	
	1. Considered in Consolidation	6,18,000
	2. Not Considered in Consolidation	1,86,96,000

Annexure-2

Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended March 31, 2025

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

To,
The Members,
Race Eco Chain Limited
(CIN: L37100DL1999PLC102506)
Shop No. 37, Shanker
Market, Connaught Place,
New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RACE ECO CHAIN LIMITED (here in after referred to as the “company”). The 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.

Opinion

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2025 and made available to me, according to the provisions of:-

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing. (Not Applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the Audit Period)
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

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

Please refer 'Annexure A' Discrepancies found during our audit attached to this report.

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

- a) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, requiring compliance thereof by the Company during the financial year.

I further report that, based on the information provided and the representation made by the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable laws.

I further report that;

- 1. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
- 2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with in prescribed limit, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

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

I further report that, based on the information provided and the representation made by the Company, in my opinion, there are adequate systems and processes in the Company which commensurate with the size and operations of the company to monitor and ensure compliance with the provisions of applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.:-

- A. During the period under review, the listed entity disinvested from its material subsidiary, Abhay Innovative Recycling Limited, by selling 37,50,000 equity shares.
- B. During the period under review, the listed entity acquired 52,100 equity shares of Silverline Eco Thrive Limited, pursuant to which it has become a subsidiary company of the listed entity.
- C. During the period under review, the listed entity entered into a joint venture with Ganesha Ecosphere Limited and incorporated a company named Ganesha Recycling Chain Private Limited by acquiring 30,60,000 equity shares, pursuant to which it has become a subsidiary company of the listed entity.
- D. During the period under review, the listed entity made an allotment of 8,25,000 equity shares to its promoter and non-promoter group through preferential Issue in accordance with the applicable provisions of the Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, provisions of the Companies Act, 2013 and rules made thereunder. on preferential basis, aggregating to cash consideration of Rs. 29,04,00,000/- (Rupees Twenty-Nine Crore Four Lakhs Only).
- E. During the period under review, the listed entity acquired 95,000 equity shares of Vasundhara Envirogreen Private Limited, pursuant to which it has become a subsidiary company of the listed entity.
- F. During the period under review, the listed entity disinvested from its subsidiary, India Polymers Private Limited, by selling 6,500 equity shares.
- G. During the period under review the listed entity has acquired 37,50,000 Equity shares of Abhay Innovative Recycling Limited, pursuant to which it has become unlisted material subsidiary of the listed entity.
- H. During the period under review the listed entity has also acquired 65000 shares of India Polymers Private Limited, pursuant to which it has become subsidiary company of the listed entity.

For Hemant Kumar Sajnani & Associates
Company Secretaries

Sd/-
CS Hemant Kumar Sajnani
Proprietor
M. No. F-7348
CP. No. 14214
PR code: 997/2020

Date: 05-06-2024

Place: Kanpur

UDIN: F007348F000534743

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

Annexure A'

To,
The Members
RACE ECO CHAIN LIMITED
(CIN: L37100DL1999PLC102506)
Regd. Office: Shop No. 37, Shanker Market,
Connaught Place, Central Delhi,
New Delhi, Delhi, India, 110001

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

**For Hemant Kumar Sajnani & Associates
Company Secretaries**

Sd/-
CS Hemant Kumar Sajnani
Proprietor
M. No. F-7348
CP. No. 14214
PR code: 997/2020

Date: 14-07-2025
Place: Kanpur
UDIN: F007348G000776721

Annexure-3

Corporate Governance Report

Corporate Governance

The Directors present the Company's Report on code of Corporate Governance for the Year end March 31, 2025 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Philosophy

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

The goal is achieved through–

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

Composition of Board

The Board has 6 members out of which 4 are Non-Executive Independent Directors including a Woman Director with 1 Executive Chairman and Managing Director, and 1 is Non- Executive Director. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The maximum tenure of Independent Directors is up to 5 consecutive years from the date of their appointment. The date of appointment and tenure of the existing Independent Directors are given below:-

Name of Independent Director	Date of Appointment on Current position	Date of Completion of Tenure
Anil Kumar Behl	31-08-2022	30-08-2027
Sanjay Kukreja	20-07-2019	19-07-2024 (1 st Tenure Completed)
	20-07-2024	19-07-2029
Seema Malik	30-06-2023	29-06-2028
Pranav Vasan	30-06-2023	29-06-2028

Key Functions of Board

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Monitoring effectiveness of the Company's governance, policies & practices and making changes as needed;

- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

Meeting of Board of Directors

During the financial year under review, the Board met 11 times i.e. on 28th May, 2024, 05th June, 2024, 13th August, 2024, 04th September, 2024, 24th September, 2024, 26th September, 2024, 01st October, 2024, 03rd October, 2024, 14th October, 2024, 12th November, 2024 and 11th February, 2025

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

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

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

Composition of the Board of Directors as on March 31, 2025 and attendance at the Board Meetings held during the Financial Year ended March 31, 2025 and at the last Annual General Meeting ('AGM') are given in table below:-

S.No	Name of Director	Category	Board Meeting Attended	AGM Attended
1.	Sunil Kumar Malik	MD & Chairman	11	Yes
2.	Rama Nand Gupta {Resigned on 05 th June, 2024}	Director	2	Not Eligible
3.	Sanjay Kukreja	Independent Director	11	Yes
4.	Anil Kumar Behl	Independent Director	11	Yes
5.	Pranav Vasan	Independent Director	11	Yes
6.	Seema Malik	Independent Director	11	Yes
8	Raj Kumar Modani {Resigned on 28 th May, 2024}	Director	1	Not Eligible
9	Lalit Kumar Malik	Non-Executive Director	1	Yes

Relationship between directors

Except Mr. Lalit Kumar Malik brother of Sunil Kumar Malik None of the Directors are related to each.

Information given to the Board

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

Annual operating plans, budgets and any updates;

Capital budgets and any updates;

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

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

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

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

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

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

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

Details of any joint venture or collaboration agreement;

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

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

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

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

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

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

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

Quarterly statement showing status of investor's complaints;

Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any; Quarterly Compliance Report on Corporate Governances.

Board Process

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

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

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

Independent Directors Meeting

Independent Directors met on 25th February, 2025, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2025. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors

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

Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

Applicable Committees are:

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

Voluntarily Adopted Committees are:

- Risk Management Committee
- CSR Committee

Audit Committee

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

Terms of Reference:

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

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

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

Meeting, Quorum and Attendance

Audit Committee meets at least 4 times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the financial year under review 2024-25 the Committee Members met 6 times i.e. on 28th May, 2024 05th June, 2024, 13th August, 2024, 03rd October, 2024, 12th November, 2024, and 11th February, 2025.

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Anil Kumar Behl	6	6
2.	Sanjay Kukreja	6	6
3.	Rama Nand Gupta	6	2
4.	Pranav Vasan	6	4

Mr. Rama Nand Gupta Resigned from the Company after the Closure of business hours on 05th June, 2024 and from next meeting forward Mr. Pranav Vasan Joined the Committee as member.

Nomination and Remuneration Committee

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

Terms of Reference:

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

1. Formulate a criterion for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
3. Devise a policy on Board Diversity;

4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
5. Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
6. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;
7. Recommend to the Board all remuneration, in whatever form, payable to Senior Management;
8. Play the role of Compensation Committee and to act as an administrator to any of the Employees' Stock Option Schemes (as may be notified from time to time); and
9. Undertake any other matters as the Board may decide from time to time.

Meeting, Quorum and Attendance

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

During the financial year under review 2024-2025 the Committee Members met 1 times i.e. on 12th November, 2024

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Sanjay Kukreja	1	1
2.	Anil Kumar Behl	1	1
3.	Pranav Vasan	1	1

Stakeholders Relationship Committee

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

Terms of Reference:

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

1. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, issue of new /duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.

5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notice by the shareholders of the Company; and
6. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

Meeting, Quorum and Attendance

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

During the financial year under review 2024-2025 the Committee Members met 2 times i.e. on 12th November, 2024 and 25th February, 2025

S.No	Name of Director	Meeting Held	Meeting Attended
1.	Pranav Vasan	2	2
2.	Sanjay Kukreja	2	2
3.	Anil Kumar Behl	2	2

During the FY 202-25, No Complaint received from the Investor. Hence No complaint was pending as on March 31, 2025

During the FY 2024-25, The Company had 6842 shareholders as on March 31, 2025.

Compliance Officer

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

Performance Evaluation

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

Remuneration of Directors

(A) Remuneration to Executive Directors

Remuneration paid to Chairman and Managing Director during financial year 2024-25 is Rs. 24.00 Lac p.a

Remuneration paid to CFO Mr. Piyanshu Sharma during financial year 2024-25 is Rs. 5.00 Lac p.a

(B) Remuneration to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at

Board/Committee meetings. The Board of the Directors approved the Sitting fees for the Independent directors as Rs. 15000 per Meeting.

General Body Meetings:

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

Year	Date of AGM	Day	Time	Venue
2023-24	03.07.2024	Wednesday	12:30 PM	56/33, Sahibabad Rd, Sahibabad Industrial Area Site 4, Sahibabad, Ghaziabad, Uttar Pradesh 201010
2022-23	25.09.2023	Monday	12:30 PM	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006
2021-22	30.09.2022	Friday	01.30 P.M	Unit No-203, Plaza-P3, Central Square, Bara Hindu Rao, Delhi-110006

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

AGM	No. of Special Resolution
2023-24	4
2022-23	5
2021-22	1

Subsidiary Company

During the year under Review the Company has the Company has following Indian Subsidiary:-

M/s. India Polymers Private Limited
M/s. Silverline Eco Thrive Limited
M/s. Ganesha Recycling Chain Private Limited
M/s. Vasundhara Envirogreen Private Limited

During the year under review Company disinvest from its Material Subsidiary M/s Abhay Innovative Recycling Limited. Consequent upon the said dis-investment, M/s Abhay Innovative Recycling Limited, ceased to be a subsidiary of the company.

Proceeds from Public issue, Rights issue, Preferential issue

During the period under review Company raised the fund through Preferential issue. The company had received an upfront payment of Rs. 29,04,00,000/- (Rupees Twenty Nine Crore Four Lac Only) at the time of subscription of the shares, from the allottees and the 8,25,000 Equity shares were allotted to them in the Board Meeting held on 26th September, 2024.

Further the Company received the 17,20,40,000/- (Rupees Seventeen Crore Twenty Lac Forty Thousand Only) the 25% subscription amount against the Issuance of the 19,55,000 Warrants convertible into Equity Shares.

Codes and Policies

Code of Conduct for Directors and Senior Management

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

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

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

Disclosures

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

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

General Shareholders' Information

Date & Time	24th September, 2025 01:00 PM
Deemed Venue	56/33, Site-4, Sahibabad Industrial Area, Ghaziabad, UP – 201010
Financial Year	2024-2025
Date of Book Closure	Thursday 18-09-2025 to Wednesday, 24-09-2025
Dividend Payment Date	N.A
Listing on Stock Exchange	The Equity Shares of the Company is listed at BSE Limited and NSE Limited as on 31st March, 2025
Scrip Code/Symbol	537785/RACE
NSDL/CDSL-ISIN	INE084Q01012
CIN Number	L17101DL1999PLC102506
RTA	Skyline Financial Services Private Limited D-153/A, 1st Floor, Okhla Industrial Area Phase-1, New Delhi-110020.

During the year under Review No EGM and Postal ballot conducted.

Share Holding Pattern of the Company as on 31.03.2025

Category	No. of Shares	% (Percentage)
Promoters	77,30,100	44.79%
Public	64,92,968	37.63%
Body Corporate	24,78,665	14.36%
Other (HUF, Firms, Trust)	5,55,467	3.22%
Total	1,72,57,200	100%

Distribution of Shareholding as on 31.03.2025

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
(Rs.)			(Rs.)	
1	2	3	4	5
Up To 5,000	6102	86.84	5226490.00	3.03
5001 To 10,000	324	4.61	2415080.00	1.40
10001 To 20,000	191	2.72	2839140.00	1.65
20001 To 30,000	83	1.18	2120730.00	1.23
30001 To 40,000	50	0.71	1771090.00	1.03
40001 To 50,000	42	0.60	2008260.00	1.16
50001 To 1,00,000	112	1.59	9321780.00	5.40
1,00,000 and Above	123	1.75	146869430.00	85.11
Total	7027	100.00	172572000.00	100.00

Share Transfer System

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Big Share Services Private Limited handles both Demat and Physical Shares Transfers. Currently in our Company all shareholdings are in demat format. As on 31st March, 2025, a total of 172572000 Equity shares are in dematerialized form representing 100% of total issued, subscribed and paid - up share capital of the Company. The Equity Shares of the Company are regularly traded on BSE Limited and NSE Limited.

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

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

Compliance Certificate from the Practicing Company Secretary on Corporate Governance

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

MD/CFO Certification

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

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

Registered Office and Corporate office

Race Eco Chain Limited
Shop No. 37, Shanker Market,
New Delhi-110001

56/33 Site-IV, Industrial Area Sahibabad,
Ghaziabad UttarPradesh-201010

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

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

**Sd/-
Sunil Kumar Malik
Chairman**

**Date: 12th August, 2025
Place: Sahibabad**

Annexure (P)

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2025.

By Order of the Board of Director
Race Eco Chain Limited
Sd/-
Sunil Kumar Malik
Chairman

Date: 30th May, 2025
Place: Sahibabad

Annexure (Q)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
RACE ECO CHAIN LIMITED
SHOP NO. 37, SHANKER MARKET,
CONNAUGHT PLACE, CENTRAL DELHI,
NEW DELHI, DELHI, INDIA, 110001

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **RACE ECO CHAIN LIMITED** (CIN: L37100DL1999PLC102506) having its Registered Office at Shop No. 37, Shanker Market, Connaught Place, Central Delhi, New Delhi – 110001 (hereinafter referred to as “the Company”), produced before us for the purpose of issuing this certificate in accordance with **Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and the explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

FOR HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries

Place: KANPUR
Date: 02-08-2025

Sd-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020
UDIN – F007348G000919050

Annexure (R)

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
RACE ECO CHAIN LIMITED
SHOP NO. 37, SHANKER MARKET,
CONNAUGHT PLACE, CENTRAL DELHI,
NEW DELHI, DELHI, INDIA, 110001

We have examined the compliance of conditions of Corporate Governance by **RACE ECO CHAIN LIMITED (CIN: L37100DL1999PLC102506)** for the financial year ended 31st March, 2025, as stipulated in **Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and para C, D and E of Schedule V** of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This certificate 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 and representations given to us and the records examined by us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the financial year ended 31st March, 2025.

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 HEMANT KUMAR SAJNANI & ASSOCIATES
Company Secretaries

Place: KANPUR
Date: 02-08-2025

Sd-
(HEMANT KUMAR SAJNANI)
Proprietor
FCS-7348
C.P. No.: 14214
PR code: 997/2020
UDIN – F007348 G000918951

Annexure (S)

CERTIFICATE OF MD/CFO

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

This is to certify that:-

- (a). We have reviewed financial statements and the cash flow statement for the year 2024-25 and that to the best of our knowledge and belief:-
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b). There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the Audit committee:-
- significant changes, if any, in internal control over financial reporting during the year;
 - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

By Order of the Board of Director
Race Eco Chain Limited

Date: May 30th, 2025
Place: Sahibabad

Sd/-
Sunil Kumar Malik
Managing Director

Sd/-
Piyanshu Sharma
CFO

Annexure-4

PARTICULARS OF EMPLOYEES

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

The company has 1 Executive Director, remuneration paid under ceiling limit of Companies Act, 2013. Further, 15000 Per Meeting are the sitting fee has been paid to Independent directors during the year.

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

Amt: In Lac			
Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2024-2025	Remuneration of Director/KMP for financial year 2023-2024	Ratio of remuneration of each Director /to median remuneration of employees
Sunil Kumar Malik (Managing Director)	24.00	24.00	NIL
Shiwati (Company Secretary)	7.29	6.73	NIL
Piyanshu Sharma (Chief Financial Officer)	5.00	3.26	NIL

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

Total number of employees of the Company as on **March 31, 2025** was **61**

By Order of the Board of Director
Race Eco Chain Limited

Sd/-
Sunil Kumar Malik
Managing Director
Date: 12th August, 2025
Place: Sahibabad (UP)



INDEPENDENT AUDITOR'S REPORT
To the members of RACE ECO CHAIN LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **RACE ECO CHAIN LIMITED**, which comprise the balance sheet as at **31st March 2025**, and the statement of Profit & Loss, and statement of cash flows for the year ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

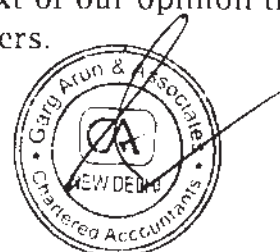
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner of so required and give a true and fair view in conformity with the accounting principles accepted in India, of the state of affairs of the company as at **March 31st, 2025**, and its Profit and cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

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



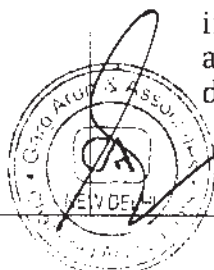
GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

Flat No.106, 4832/24, Ansari Road,
Daryaganj, New Delhi-110002
Phone: 011-23283955



Key Audit Matters	How the matter was addressed in our audit
1. The Company has various related party transactions which include sale, purchase of goods / services, loans taken and loans provide to the related parties. We identified the accuracy and completeness of disclosure of related party transactions set out in respective notes to the Ind AS Standalone Financial Statements as a key audit matter due to: ➤ The significance of transactions with related parties during the year ended March 31, 2025. ➤ Related party transactions are subject to the compliance requirement under the companies Act, 2013 and SEBI (LODR) 2015.	Our audit procedures in relation to the disclosure of related party transactions included the following: ➤ We obtained an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the Ind AS financial statement. ➤ Read minutes of meeting of the board of directors and Audit committee and assessed whether approvals have been obtained by the management, as required by Companies Act 2013 and LODR. ➤ We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arm-length by management, on a sample basis, as part of our evaluation of the disclosure. ➤ We assessed management evaluation of compliance with provision of section-177 and Section-188 of the Companies Act, 2013 and SEBI (LODR), 2015.
	➤ We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.



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2.1 Acquisition of following subsidiaries and Associates A. Silverline Eco Thrive Limited, B. Ganesha Recycling Chain Private Limited, C. Vasundhara Enviro green Private Limited, D. Prime Industries Limited (Associate)	➤ We have compared the accounting treatment specified in the scheme formulated by the Company along with one specified in Ind As 103 and Ind As 28. ➤ We have critically evaluated the key assumptions, purchase price allocation adjustments and identification and valuation of Net Assets acquired.
2.2 Disposal of following subsidiary: Disposal of Abhay Innovative Recycling private limited during the Financial Year 2024-25.	➤ We have assessed the Competence and objectivity of the experts engaged by the Company. ➤ We have assessed the adequacy of the Company's disclosures in respect of the acquisition in accordance with the requirements of Ind As 103 and Ind As 28.

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

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

Our Opinion on the Standalone Financial Statements does not cover the other Information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the course of our audit, or otherwise appears to be materially misstated.

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

Management's Responsibility for Standalone 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 the these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application appropriate accounting policies ;making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

GARG ARUN & ASSOCIATES

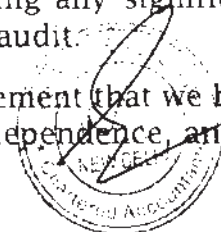
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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors reports. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to



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communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.



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Report on other Legal and Regulatory Requirements

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

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

- h) On the basis of written representations received from the directors as on 31 March 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in '**Annexure-B**' to this report; and,

GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

Flat No.106, 4832/24, Ansari Road,
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Phone: 011-23283955



j) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:

I. The Company has pending litigation with Income Tax Authorities and the possible impact of which has been disclosed in Standalone Financial Statements.

II. The company does not have any long-term contracts, including derivative contracts which require provision under any law or accounting Standard for material foreseeable losses.

III. There was no amount which was required to be transferred to the Investor Education and Protection Fund.

IV.

(a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

V. The company has not proposed or declared or paid any dividend during the year.

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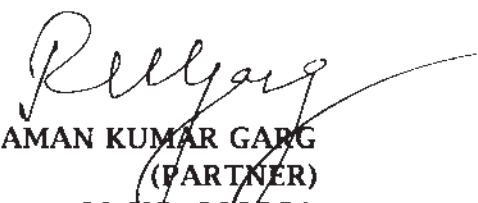
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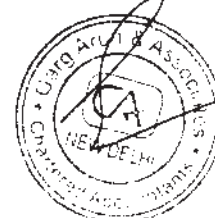


- VI. In our opinion and to the best of our information and according to the explanations given to us, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31st, 2025 which has a feature of recording audit trail (edit log) facility. The audit trail feature was operated throughout the financial year for all relevant transactions recorded in the software. Further, we have not come across any instance of the audit trail being tampered with during the course of our audit, and the audit trails have been preserved by the Company as per the statutory requirements under the Companies Act, 2013.

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

Place :- Delhi
Date :- 30/05/2025


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



GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

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Phone: 011-23283955



Annexure-A to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of RACE ECO CHAIN LIMITED

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (I) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(II) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) All the assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company & the nature of its assets. According to the information and explanation given to us, no discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The inventory of the company has been physically verified by the management. No material discrepancies were noticed physical verification.
 - (b) The company has been sanctioned working capital limits in excess of Rupees 5 crores, in aggregate, from banks on the basis of security of current assets, as per information and explanations given to us, the quarterly returns/ statements filed with banks are in agreement with the books of accounts of the company.

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- (iii) The Company has made investment in, companies, firm, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
- (a) The company has provided loan during the year but not stood guarantee or provided securities to any other entity, in this regards we report as under:
 - (A) The Company has not granted any loans or advances and guarantees to subsidiary, joint venture or associates.
 - (B) The Aggregate amount of loan advanced during the year was Rs. **2,631.05 lacs** and the balance outstanding at the year end was Rs. **941.97 lacs**.
 - (b) In our option, the investment made and the terms and condition of grant of loans during the year are, prima facie, not prejudicial to the company's interest.
 - (c) In respect of loans granted by the Company, the loans granted are in the nature of demand loan and the repayments of principal amounts and receipts of interest are generally been regular as demanded by the company.
 - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (f) The Company has granted loan which are repayable on demand or without specifying any terms or period of repayment during the year, the aggregate amount of loan was **Rs. 941.97 lacs**, which is the **97.27%** of the total loans granted and are granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- (iv) According to the Information & explanation given to us and based on the audit procedure conducted by us, we are of the opinion that company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans.
- (v) The company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2025 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the company.

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(vi) The Central Government has not prescribed the maintenance of cost records u/s 148 of the Act, in respect of business activities carried out by the company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii)

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees State Insurance, Income Tax, Sales-Tax, Goods and Service Tax, duty of customs, Duty of Excise, Value Added Tax, Cess & any other statutory dues applicable to it & there are no undisputed dues outstanding as on 31.03.2025 for a period of more than six months from the date they became payable.

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

Nature of Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14,44,160/-	AY 2024-25	CPC
Income Tax Act, 1961	Income Tax	91,780/-	AY 2021-22	CPC
Income Tax Act, 1961	Income Tax	49,340/-	AY 2010-11	CPC
Income Tax Act, 1961	Income Tax	2,99,405/-	AY 2009-10	CPC

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

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(ix)

- (a) The Company has taken loans from its related parties and there is no default in repayment of loan or in the payment of interest thereon.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year by pledging securities held in their subsidiary, associates or joint ventures.

(x)

- (a) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has made preferential allotment of shares on conversion of warrants during the year and In our opinion, the requirements of section 42 and 62 of the Companies Act 2013 have been complied with and fund raised has been used for the purpose for which it was raised.

(xi)

- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) In our opinion and as per the information and explanation provided to us, the company has not received any whistle blower complaint during the year.

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

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- (xiii) In our opinion and according to the information & explanation given to us, the company is in compliance with section 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards and section 177 is not applicable to the company.
- (xiv)
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. There has been no resignation of the statutory auditors of the Company during the year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the

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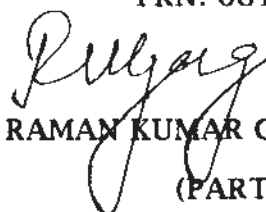
date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion the provision of section 135 of the Companies Act, 2013 relating to corporate social responsibility are not applicable as such the reporting under clause 3 (xx) of the order is not applicable.

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

Place:- Delhi

Date:- 30 MAY 2025


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

UDIN NO. 25090564BMJPYR7025



GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

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Annexure-B

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

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

To The Members of **RACE ECO CHAIN LIMITED**

We have audited the internal financial controls over financial reporting of **RACE ECO CHAIN LIMITED** as of 31st March, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

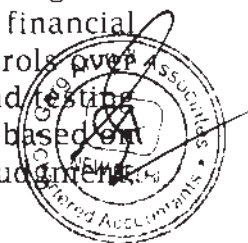
Management's Responsibility for Internal Financial Controls.

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

Auditors' Responsibility

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

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





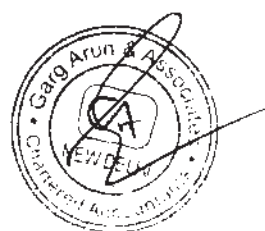
including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



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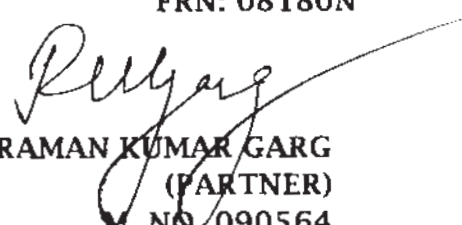
Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting were operating effectively as at **31st March, 2025**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place:- Delhi

Date:- 30 MAY 2025


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

UDIN NO. 25090564BMJPYR7025



RACE ECO CHAIN LIMITED
Shop No:- 37, Shanker Market New Delhi 110001
CIN NO. L37100DL1999PLC102506
Balance Sheet as at 31st March 2025

(Rs. In Lakhs)			
Particulars	Note No.	As at 31st Mar 2025	As at 31st Mar 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2(a)	255.53	276.04
(b) Capital work-in-progress	2(b)	0.74	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets	2(c)	3.03	3.31
(f) Intangible assets under development		-	-
(g) Biological Assets other than Bearer Plants		-	-
(h) Financial assets		-	-
(i) Investments	3	2,147.52	519.61
(ii) Trade Receivables		-	-
(iii) Loans and Advances		-	-
(iv) Other financial assets	4(a)	1,380.23	26.91
(i) Deferred tax assets (net)	5	50.14	-
(j) Other non-current assets			
Sub-total - Non-Current Assets		3,837.19	825.86
Current assets			
(a) Inventories	7	108.86	83.05
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Trade receivables	8	9,509.66	5,322.28
(iii) Cash and cash equivalents	9	434.17	40.34
(iv) Bank Balance Other than Cash and cash equivalents		-	-
(v) Loans and Advances	10	941.97	853.99
(vi) Other financial assets	4(b)	44.10	35.17
(c) Current Tax assets (net)	11	58.42	61.25
(d) Other current assets	6	562.28	105.44
Sub-total - Current Assets		11,659.47	6,501.53
TOTAL - ASSETS		15,496.67	7,327.39
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,725.72	1,643.22
(b) Share Application Money pending Allotment		1,720.40	
(c) Other equity	13	3,673.52	579.65
Sub-total - Shareholders' funds		7,119.64	2,222.87
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Long Term Borrowings	14(a)	-	-
(ii) Lease Liabilities	15(a)	8.80	-
(iii) Trade Payables		-	-
(A) Total Outstanding dues of Micro and Small Enterprises; and		-	-
(B) Total Outstanding dues other than Micro and Small Enterprises		-	-
(iv) Other financial liabilities other than (i) and (ii) above		-	-
(b) Provisions	17(a)	14.75	9.82
(c) Deferred tax liabilities (net)	5	-	4.12
(d) Other non-current liabilities			
Sub-total - Non-current liabilities		23.55	13.94
Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	14(b)	5,845.06	3,683.88
(ii) Lease Liabilities	15(b)	2.10	
(iii) Trade Payables:-		-	
(A) Total Outstanding dues of Micro and Small Enterprises; and	16	-	
(B) Total Outstanding dues other than Micro and Small Enterprises	16	2,324.33	1,286.93
(iii) Other financial liabilities other than (i) and (ii) above	18	48.95	9.53
(b) Other current liabilities	19	4.94	22.73
(c) Provisions	17(b)	128.11	87.52
(d) Other tax liabilities (net)			
Sub-total - Current liabilities		8,353.49	5,090.58
TOTAL - EQUITY AND LIABILITIES		15,496.67	7,327.39
Significant Accounting Policies	1	0.00	0.00
Notes to accounts forming Part of Financial Statements	2-57		

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV WASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED

Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001

CIN NO. L37100DL1999PLC102506

Statement of Profit and Loss Account for the year ended 31 March 2025

(Rs. In Lacs, except EPS)

Particulars	Note No.	April 2024- Mar 2025	April 2023- Mar 2024
1. Total Income [sum of (a) to (b)]		46,141.38	33,917.27
(a) Revenue from Operations	20	46,029.91	33,849.88
(b) Other Income	21	111.47	67.39
2. Total Expenses [sum of (a) to (f)]		45,665.06	33,647.17
Cost of Materials Consumed			
a) Purchase of Stock-in-Trade	22	44,515.26	32,607.54
b) Cost of Raw Materials Consumed	23	216.80	22.89
c) Changes In Inventories of Finished Goods, Work-in-progress and Stock in Trade.	24	-89.32	13.79
d) Other Manufacturing expense	25	79.07	237.00
e) Employee benefits expense	26	268.74	224.88
f) Finance Costs	27	405.15	283.81
g) Depreciation and amortisation expense	2	67.84	66.26
h) Other expenses	28	201.53	191.00
3. Profit from ordinary activities before exceptional items (1-2)		476.33	270.10
4. Exceptional Items - net credit / (charge)			
5. Profit from Ordinary Activities Before Tax (3-4)		476.33	270.10
6. Tax expense			
a. Current Tax	35(a)	127.70	84.26
b. (Excess)/provision for tax related to earlier years		-7.64	
c. Deferred Tax	35(d)	-19.49	29.12
7. Net Profit from Continuing Operations [5-(6a.+6b.+6c.)]		375.76	156.72
8. Profit / (Loss) from Discontinued Operations (after tax)			
9. Net Profit for the period (7+8)		375.76	156.72
10. Other Comprehensive Income			
(a) (i) Items that will not be re-classified to Profit or Loss			
- Components of defined benefit costs		1.12	12.25
- Net Gain on Fair Value of Current Investments		-139.28	
(ii) Income Tax relating to those items	35(b)	34.77	3.08
(b) (i) Items that will be re-classified to Profit or Loss			
- Net Gain on Fair Value of Current Investments			
(ii) Income Tax relating to those items			
Total Other Comprehensive Income (a+b)		-103.39	9.17
11. Total Comprehensive Income/Loss for the period (net of tax) (9+10)		272.37	165.89
12. Paid up Equity Share Capital (face value Re. 10 per share)		1,725.72	1,643.22
13. Earnings Per Share (EPS) (of Re. 10/- each) (not annualised):			
(a) Basic EPS - Rs.		2.23	0.95
(b) Diluted EPS - Rs.		2.20	0.95
See accompanying notes to financial statements			

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV WASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED

Shop No:- 37, Shanker Market New Delhi 110001
Cash Flow Statement as at 31st March 2025

(Rs. In Lacs)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		476.33		270.10
Adjustments for:		373.67		311.36
Depreciation and amortisation	67.84		66.26	
(Profit) / loss on sale / write off of assets	0.00		0.00	
Finance costs	405.15		283.81	
Interest income	-97.14		-38.71	
Profit on Investment				
Provision for Tax				
Provision for Gratuity				
Rental Income	-2.17			
Operating profit / (loss) before working capital changes		850.00		581.46
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	-4187.38	-4667.20	-1657.47	-1651.53
Current Tax Assets	2.83		-2.95	
Other current assets	-456.84		30.43	
Inventories	-25.81		-21.53	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	1037.40	1064.19	115.13	61.48
Other financial liabilities	39.42		9.53	
Other current liabilities	-17.79		-28.46	
Short-term provisions	4.93		-5.55	
Long-term provisions	0.23		-29.17	
		-2753.01		-1008.58
Cash flow from extraordinary items				
Cash generated from operations		-2753.01		-1008.58
Net income tax (paid) / refunds		78.59		
Net cash flow from / (used in) operating activities (A)		-2831.60		-1008.58
B. Cash flow from investing activities				
Capital expenditure onproperty, plant & equipments, including capital advances		-2823.64		-1109.89
Proceeds from sale of property, plant & equipments				
Purchase of Property, Plant & Equipment	-47.79		-85.14	
Addition in Intangible Assets				
Purchase of other investments	-1424.93		-519.51	
Sale of Investments	0.00			
Other financial assets (Non-Current)	-1353.32		-15.01	
Other non-current assets				
Rental Income	2.17			
Interest received	97.14		38.71	
Net gain / (loss) on sale of investments				
Changes in Loans & Advances	-87.98		-511.25	
Other financial assets (Current)	-8.93		-17.71	
Cash flow from extraordinary items				
Net cash flow from / (used in) investing activities (B)		-2823.64		-1109.89
C. Cash flow from financing activities				
Proceeds from issue of equity shares	82.50	6391.34		1849.08
Proceeds from Share Premium	2821.50			
Proceeds from Warrant	1720.40			
Proceeds/ (Repayment) from long-term borrowings	0.00		-19.71	
Proceeds from short-term borrowing	2161.18		2152.60	
Lease Liabilities assumed	10.90			
Finance cost	-405.15		-283.81	
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		6391.34		1849.08
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		736.10		-269.40
Cash and cash equivalents at the beginning of the year		40.34		309.74
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		434.17		40.34
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Closing Cash and cash equivalents as per Balance Sheet				
(a) Cash on hand		40.11		15.43
(b) Balances with banks				
(i) In current accounts		394.06		24.91
(ii) In EEFC accounts				
(iii) In Fixed deposit accounts				
(c) Interest accrued on deposits				
(d) Current investments considered as part of cash & cash equivalents				
		434.17		40.34
See accompanying notes forming part of the financial statements				

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

FOR RACE ECO CHAIN LIMITED

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

Sd/-
PRANAV WASON
NON EXECUTIVE DIRECTOR
DIN 07631095

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SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

PLACE : NEW DELHI
DATED :

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED

Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001

CIN NO. L37100DL1999PLC102506

Standalone statement of changes in equity for the year ended March 31, 2025

A. Equity share capital

(Rs. in Lakh)

As at April 1, 2023	1,643.22
Changes in equity share capital during the year	0.00
As at March 31, 2024	1,643.22
Changes in equity share capital during the year	82.50
As at March 31, 2025	1,725.72

B. Other equity

(Rs. in Lakh)

Particulars	Reserves and surplus					Total
	Capital Redemption Reserve	Capital reserve	Securities premium	General reserve	Retained Earnings	
Balance as at April 1, 2023					413.76	413.76
Profit for the year	-	-	-	-	156.72	156.72
Other comprehensive income for the year	-	-	-	-	9.17	9.17
Total comprehensive income for the year	-	-	-	-	579.65	579.65
Dividend paid	-	-	-	-	-	0.00
Other	-	-	-	-	-	0.00
Balance as at March 31, 2024	-	-	-	-	579.65	579.65
Profit for the year	-	-	-	-	375.76	375.76
Other comprehensive income for the year	-	-	-	-	-103.39	-103.39
Changes during the year	1720.40	-	2821.50	-	0.00	4541.90
Total comprehensive income for the year	1720.40	-	2821.50	-	852.02	5393.92
Dividend paid	-	-	-	-	-	-
Balance as at March 31, 2025	1720.40	-	2821.50	-	852.02	5393.92

The accompanying notes are an integral part of the financial statements.

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
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Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31st MARCH, 2025**

NOTE 1 Significant accounting policies

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

Corporate Information

RACE ECO CHAIN LIMITED ('the Company'), was incorporated on November 22, 1999 as a Company under the Companies Act, 1956 ('the Act'). The Company has registered office at .Shop No. 37, Shanker Market, Connaught Place, Central Delhi, New Delhi, India. The Company is listed on the BSE Limited and National Stock Exchange of India Limited (Recognised Stock Exchanges in India). The Company is primarily engaged in the business of Plastic Waste , Home furnishing, Madeup, Bags & Garments and Briquettes.

1.1 Basis of preparation

(i) Compliance with Ind AS

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented in these financial statements.

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

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

(ii) Use of estimates and judgments

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

(iii) Revenue Recognition

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

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

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

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

(iv) Interest income

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

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

(v) Other Income

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

1.2 Income Tax

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

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

1.3 Deferred Tax

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

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

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

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

1.4 Financial Instruments

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

(i) Financial Assets

(a) Initial recognition and measurement:

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

(b) Subsequent Measurement:

Debt instruments at amortized cost

- a) Financial Asset' is measured at the amortized cost if both the following conditions are met:
- b) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- c) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(c) Debt instrument at FVTPL

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

(d) De-recognition

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

(e) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

ii) Financial liabilities

(a) Initial recognition and measurement

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

(b) Subsequent Measurement:

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

(c) De-recognition

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

1.5 Tangible Property, Plant & Equipment (PPE):

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

(i) Recognition:

- The cost of an item of property, plant and equipment is recognized as an asset if, and only if:
- It is probable that future economic benefits associated with the item will flow to the entity; and
- The cost of the item can be measured reliably.

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

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(ii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease. The Residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

Estimated useful lives of items of Property, Plant and Equipments are as follows:-

Assets	Useful life
Furniture and Fixtures	10 years
Computers	3 years
Vehicles	8 years
Building	30 years
Motor Bike	10 years
Office Equipments	5 years
Electrical Equipments	10 years
Plant & Machinery	15 years
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less

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

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

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

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

1.6 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. Measurement and recognition of leases as a Lessee:

The Company has adopted Ind AS 116 “Leases” using the cumulative catch-up approach. Company has recognized Right-of-use assets as at 1st September, 2024 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals).

Initial & Subsequent Measurement: The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are subsequently measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment on exercise of an extension or a termination option.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. Subsequently, these are measured at cost less accumulated depreciation and impairment losses, if any.

Amortisation and Impairment: The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease Liability and Right-of-Use Asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in Statement of profit and loss on a systematic basis of lease payment over the lease term.

b. Measurement and recognition of leases as a Lessor

As a lessor the Company identifies leases as operating and finance lease. A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

For Finance leases- amounts due from lessees are recorded as receivables at the Company’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

For Operating leases - Rental income is recognised on a straight-line basis over the term of the relevant lease.

1.7 Intangible Assets

(i) Measurement at recognition:

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

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

Assets	Useful life
Software & Mobile Application	5 years

(ii) Derecognition:

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

1.8 Employee Benefits

(i) Short-term obligations

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

(ii) Post-employment obligations

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

(iii) Defined contribution plan:

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

(iv) Defined benefits plan:

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

1.9 Impairment of non-financial assets

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

1.10 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

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

Expected future operating losses are not provided for.

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

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

1.11 Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

1.12 Inventories

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

WIP & finished goods are valued at lower of cost & net realizable value.

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

1.13 Borrowing Costs

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

1.14 Cash and cash equivalents

Cash amounts represent cash on hand and demand deposits. Cash equivalents are primarily short-term highly liquid investments with an original maturity of 90 days or less and which are subject to an insignificant risk of change in value.

RACE ECO CHAIN LIMITED

AS PER COMPANIES ACT, 2013

NOTE-02 (a) PROPERTY, PLANT & EQUIPEMENT

(Rs. in Lacs)												
Particulars	Rate	Gross Block					Accumulated Depreciation				Net Block	
			Balance as on 01/04/2024	Additions	Deductions/ Adjustments	Balance as at 31/03/2025	Upto 31/03/2024	Additions	Deductions/ Adjustments	Balance as at 31/03/2025	W.D.V. as on 31.03.2025	W.D.V. as on 31.03.2024
PLANT & MACHINERY												
PLANT & MACHINERY	18.10%		55.74	21.94		77.68	29.47	5.66		35.13	42.55	26.28
						-				-		-
VEHICLES												
Car Fortuner	31.23%		27.09			27.09	27.09	-		27.09	0.00	0.00
Activa Scooter	31.23%		0.88			0.88	0.65	0.07		0.72	0.16	0.23
Grand Vitara Car	31.23%		23.34			23.34	8.37	4.79		13.16	10.18	14.97
Maruti Eco	31.23%		6.46			6.46	3.34	1.09		4.43	2.03	3.13
Hiro Honda	31.23%		0.98			0.98	0.12	0.22		0.34	0.64	0.86
Creta Car	31.23%		17.64			17.64	1.35	4.22		5.57	12.07	16.29
Innova Car	31.23%		24.43			24.43	4.75	5.09		9.84	14.58	19.68
Kia Seltos	31.23%		23.05			23.05	0.99	5.76		6.75	16.30	22.06
Pulsar	31.23%		-	1.69		1.69	-	0.26		0.26	1.42	-
										-	-	-
FACTORY LAND & BUILDING												
FACTORY LAND-56/33	9.50%		4.57			4.57	0.67	0.22		0.89	3.68	3.90
FACTORY BUILDING-56/33	9.50%		192.43			192.43	63.91	23.14		87.05	105.38	128.52
FACTORY BUILDING- A-16/2	9.50%		39.28			39.28	39.28	-		39.28	0.00	0.00
Elevator	45.07%		11.15			11.15	10.64	-		10.64	0.50	0.50
Electricity Service Line	9.50%		2.66			2.66	1.27	0.36		1.63	1.03	1.39
GENERATOR	45.07%		19.64			19.64	16.40	0.69		17.09	2.55	3.24
COMPUTER	63.16%		22.74	2.67		25.41	19.62	1.37		20.99	4.41	3.12
FURNITURE & FIXTURES	76.83%		30.65	3.22		33.86	21.84	3.02		24.87	9.00	8.80
Office Equipments	45.07%		52.52	3.40		55.92	35.15	8.14		43.29	12.63	17.37
Right of Use Asset				12.59		12.59	-	1.47		1.47	11.12	
Electric Equipment	25.89%		7.63	1.56		9.19	1.93	1.96		3.90	5.29	5.70
TOTAL		-	562.90	47.05		609.95	286.85	67.57		354.42	255.53	276.04
NOTE-02 (b)												
Capital Work In Progress			-	0.74		0.74	-	-	-	-	0.74	-
NOTE-02 (c) OTHER INTANGIBLE ASSETS												
INTANGIBLE ASSETS												
SOFTWARE AND MOBILE APPLICATIONS			9.51	-	-	9.51	6.20	0.28		6.48	3.03	3.31
										NET BLOCK	259.30	279.35
										DEPRECIATION	67.84	

FOR THE YEAR ENDED 31.03.2025

67.84

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED on 31ST March, 2025

Note 3 Non- Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2025	31-03-2024		31-03-2025	31-03-2024
		Number	Number		In Rs(In lakhs)	In Rs(In lakhs)
(I) Investment at cost						
Abhay Innovative Recycling Limited	Subsidiary	-	37,74,800.00	Unquoted	0.00	377.48
India Polymer Pvt Ltd	Subsidiary	6,500.00	6,500.00	Unquoted	0.65	0.65
Silverline Eco Thrive Limited - Share	Subsidiary	31,87,500.00	-	Unquoted	318.75	0.00
Ganesha recycling Chain Private Limited	Subsidiary	30,60,000.00		Unquoted	306.00	0.00
Vasundhara Envirogreen Private Limited	Subsidiary	9,50,000.00		Unquoted	95.00	0.00
Prime Industries Limited :-Share	Associate	43,50,000.00	43,50,000.00	Quoted	565.50	141.38
Enviro Ecoplast Private Limited	Others	1,000.00	1,000.00	Unquoted	0.10	0.10
(II) Investment at FVTOCI						
Rudra Ecovation Limited :-Warrant	Others	20,85,000.00	0.00	Quoted	861.52	0.00
Total		1,15,55,000.00	81,32,300.00		2,147.52	519.61

Location wise breakup of Investments

Investment in India	1,15,55,000.00	81,32,300.00	2,147.52	519.61
Investment Outside India	0.00	0.00	-	-
Total	1,15,55,000.00	81,32,300.00	2,147.52	519.61
Less: Allowance for impairment loss	0.00	0.00	-	-
Total (net)	1,15,55,000.00	81,32,300.00	2,147.52	519.61

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED on 31ST March, 2025

Note 4

Other Financial Assets

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
(a) Non-Current		
Deposits with Banks		
FDR pledged with Bank as margin for CC limit	1,368.24	16.15
FDR not pledged with Bank	1.23	-
At Amortised Cost		
Unsecured, Considered Good		
Deposits		
Security Deposit	10.76	10.76
Total (A)	1,380.23	26.91
(b) Current		
At Amortised Cost		
Unsecured, Considered Good		
Deposits		
(a) Security Deposit		
Security Deposit for Rent	38.05	34.12
Security With Others	6.06	1.06
Total (B)	44.10	35.17
Total (A+B)	1,424.34	62.08

* The Fixed deposit as other non-current financial assets includes deposit with remaining maturity above 12 months.

* Security Deposits for rent given are measured at Amortized Cost

Note 5

Deferred Tax Assets (Net)

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Opening Balance	4.12	24.99
Add: Current Year Deferred Tax Asset / (Liability)	-54.27	-29.12
Net (Deferred Tax Assets)/ Liabilities	-50.14	-4.12

Note 6 Other Current Assets

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Current		
Unsecured, Considered Good		
Advance to Suppliers	419.30	75.63
Advance to employees	36.35	4.46
Prepaid Expenses	2.74	1.09
Advance to Abhay Innovative Recycling Limited	-	0.15
Duty Draw back Receivable	-	0.25
Rodtep Receivable	1.26	0.46
Duties & Taxes	102.63	23.41
Total (b)	562.28	105.44
TOTAL [(a)+(b)]	562.28	105.44

Note 7 Inventories

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Inventories :		
a) Raw		
Fabric	8.00	71.51
Total	8.00	71.51
b) Work In		
Progress Sub		
Total		
c) Finished		
Bags	-	-
Puma Products	-	11.54
Total	-	11.54
d) Stock-in-Trade		
Waste Scrap	-	-
Bed Sheets	100.86	-
Total	100.86	-
Total Inventories	108.86	83.05

Note 8
Trade Receivables

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Trade Receivables- From Related Parties	279.44	1,46,12,791.00
Trade Receivables-From Others	9,230.22	5,322.28
TOTAL	9,509.66	5,322.28
Less : Impairment allowance		
Total Trade Receivables (net of Impairment)	9,509.66	5,322.28

a.) Ageing Schedule - Trade receivable

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Undisputed - Considered Good		
- Less than 6 Months	9,367.52	4,978.61
- 6 Months- 1 year	71.81	252.83
- 1-2 years	13.31	90.84
- 2-3 Years	57.01	-
- More than 3 Years	-	-
Undisputed Trade Receivables-which have significant increase in credit risk	-	-
Undisputed Trade Receivables-Credit impaired	-	-
Disputed - Considerd good	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-
Disputed Trade Receivables-Credit impaired	-	-
Total	9,509.66	5,322.28

Note 9
Cash & Cash Equivalents

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Cash in Hand	40.11	15.43
Balance with Banks in Current Accounts ^	394.06	24.91
	434.17	40.34

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

Note 10
Short Term Loans and Advances

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Short - Term Loans and Advances:		
<u>At Amortised Cost</u>		
Unsecured , Considered Good		
Inter Corporate Loan to Related Parties	916.28	
Inter Corporate Loan	25.69	853.99
	941.97	853.99

Note 11 Current Tax Assets (net)

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Advance Income Tax/TDS/TCS (net of provision)		
TDS Receivables	58.42	61.25
TOTAL	58.42	61.25

Note 12 Equity Share Capital

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Authorised Share Capital		
2,50,00,000 Shares (Previous year 2,50,00,000) of Rs. 10 each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued, Subscribed & Paid-up Share Capital		
17257200 Shares (Previous year 16432200.) of Rs. 10 each	1,725.72	1,643.22
TOTAL	1,725.72	1,643.22

Terms/Rights attached to Equity Shares

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

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

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Number of shares outstanding as at the beginning of the period	164.32	164.32
Add : Shares issued during the year.	8.25	-
Number of shares outstanding as at the end of the period	172.57	164.32

Share held in the company by each shareholder holding more than 5%

(Rs. in Lacs)

Name of Shareholders	As at 31st March 2025	As at 31st March 2024
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.40
C) Puja Malik	9.85	9.85

Details of Promoters holding end of the Year

(Rs. in Lacs)

Name of Shareholders	As at 31st March 2025	As at 31st March 2024
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.40
C) Dinesh Pareekh	7.00	7.00

Note 13 Other Equity

PARTICULARS	As at 31st March 2025	As at 31st March 2024
I) Reserves & Surplus		
a. Retained Earnings		
Balance at the beginning of the period	547.20	390.48
Add: Profit/Loss for the period	375.76	156.72
Less: Bonus Share Issue	-	-
Balance at the end of the period	922.95	547.20
TOTAL (I)	922.95	547.20
II) Other Comprehensive Income		
Balance at the beginning of the period	32.45	23.28
Add: Transfer during the year	-103.39	9.17
Balance at the end of the period	-70.94	32.45
TOTAL (II)	-70.94	32.45
III) Share Premium		
Balance at the beginning of the period	-	-
Add: Transfer during the year	2,821.50	-
Balance at the end of the period	2,821.50	-
TOTAL (III)	2,821.50	-
IV) Share Application Money Pending Allotment		
Balance at the beginning of the period	-	-
Add: Transfer during the year	1,720.40	-
Balance at the end of the period	1,720.40	-
TOTAL (IV)	1,720.40	-
TOTAL OTHER EQUITY (I+II+III+IV)	5,393.92	579.65

Nature & Purpose of Reserves:

Retained Earnings: Retained earnings represents surplus / accumulated earning of the company and are available for distribution to shareholders

Other Comprehensive Income: This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. and present value of Defined benefit obligation.

Note 14 Borrowings

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
(a) Long Term Borrowings		
<u>Carried at Amortized Cost</u>		
Secured Loans		
Term Loans from Banks/Financial Institution	-	-
Total (I)	-	-

(b) Short Term Borrowings

<u>Carried at Amortized Cost</u>		
<u>Secured Loans</u>		
<u>CASH CREDIT LIMITS FROM</u>		
ICICI Bank Limited	1,000.51	648.14
(Mortgage against Plot No. 56/33, Near Atlas Factory, Site-4, Ghaziabad, Sahibabad UP India 201010) and personal Garrentee of Mr Sunil Kumar Malik & Mr. Pranav Wason.		
HDFC Bank Limited	1,762.86	
(Exclusive Charge on Movable Fixed Assets and Fixed Deposit of Rs 1325 Lac)		
Working Capital Demand loan from		
Tata Capital Limited	705.16	
(Personal Guarantee of Mr Sunil Kumar Malik)		
<u>Sale Invoice Discounting Limit (Bill Discounting Limit)</u>		
S G Finserve Ltd.	2,015.46	662.89
Note:- (all the above facilities are further secured by first Pari passu charge by way of HP of both present & future Current Assets among HFDC bank, ICICI Bank, Tata Capital Limited and S G Finserve Ltd.)		
<u>Unsecured Loans</u>		
<u>Related Parties</u>		
Loan From Director	-	3.10
<u>Intercompany Loan</u>		
Share India Capital Pvt Ltd.	-	243.14
BGP 11 ANALYTICS Pvt.Ltd.	-	213.00
Anmol Financial Services Ltd.	-	202.71
Devbhoomi Commercial Pvt Ltd.	-	54.66
SVP Housing Limited	361.08	335.91
Securocrop Securities India Private Limited	-	957.94
BLP Equity Research Pvt. Ltd.	-	362.36
Total (II)	5,845.06	3,683.88
Total (I+II)	5,845.06	3,683.88

Note :The company has not defaulted in the repayment of Borrowings and interest thereon for the year ended of March 31, 2025

Note 15 Lease Liabilities		(Rs. in Lacs)	
PARTICULARS		As at 31st March, 2025	As at 31st March, 2024
<u>Carried at Amortized Cost</u>			
<u>(a) Non-Current</u>			
Lease Obligation		8.80	
TOTAL (a)		8.80	
<u>Carried at Amortized Cost</u>			
<u>(a) Current</u>			
Lease Obligation		2.10	
TOTAL (b)		2.10	
TOTAL [(a)+(b)]		10.90	

Note 16 Trade Payables

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Current		
Total outstanding dues of micro, small and medium enterprises (A)		
Total outstanding dues of creditor other than micro, small and medium enterprises (B)	2,324.33	1,286.93
	2,324.33	1,286.93
TOTAL [(a)+(b)]	2,324.33	1,286.93

Ageing Schedule - Current Trade payable

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
i) MSME		
Less than 1 year	-	-
1-2 years		
2-3 years		
More than 3 years		
ii) Others		
Less than 1 year	2,310.68	1,211.73
1-2 years	13.65	70.40
2-3 years	-	4.79
More than 3 years		
iii).Disputed dues – MSME		
iv) Disputed dues - Others		
Total	2,324.33	1,286.93

Note 17 Provisions

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
(a) Non-Current		
Provision for Employee Benefits		
Gratuity	14.75	9.82
TOTAL	14.75	9.82
(b) Current		
Provision for Employee Benefits		
Gratuity	0.41	0.18
Other Provisions		
Provision for Current Tax	127.70	87.35
TOTAL	128.11	87.52

Note 18 Other Current Financial Liabilities

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Expenses Payable	12.00	9.53
Bonus Payable	2.77	
ESI & PF Payable	0.18	
Sitting Fees Payable	11.07	
Salary Payable	22.93	
TOTAL	48.95	9.53

Note 19 Other Current Liabilities

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Advance Received from Customers	-	11.93
Duties & Taxes Payable	4.94	7.75
Salary Payable	-	3.05
TOTAL	4.94	22.73

Note 20 Revenue from Operations (Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Manufacturing Sale		
Sale of Recycled Products	811.00	233.68
Trading Sale		
Sale of Waste Material	43,265.39	29,185.67
Sale of Biomass Products	1,870.70	4,430.54
Sale of Bagasse	64.00	-
Sale of Fabric	0.27	-
Jobwork		
Sale of Recycled Products	18.54	-
TOTAL	46,029.91	33,849.88

Note 21 Other Income (Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Interest on FDR	44.57	2.14
Rental Income	2.17	
Interest Income	52.58	38.71
Interest on Security Deposit	0.05	
Rebate & Discount	-	0.19
Creditors Written Off	10.00	24.00
Short & Excess	0.00	0.00
Handling Charges	0.11	0.98
Duty Draw Back Income	1.21	0.90
Rodtep Incentive	0.79	0.46
TOTAL	111.47	67.39

Note 22 Purchase of Stock-in-Trade

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Waste Material	42,043.66	28,166.94
Biomass Products	1,844.85	4,368.17
Recyclable Products	563.25	72.43
Bagasse Products	61.21	
Fabric Products	2.29	
TOTAL	44,515.26	32,607.54

Note 23 Cost of Raw Material Consumed

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Opening Stock of Raw Material		
Fabric	71.51	36.19
Add:-	-	-
Fabric	153.28	58.21
	224.80	94.40
Less:-		
Closing Stock		
Fabric	8.00	71.51
	8.00	71.51
TOTAL	216.80	22.89

Note 24 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Finished Goods	-	-
Finished Goods at the beginning of the year	-	-
Less: Finished Goods at the end of the year	-	-
Puma Products	-	-
	-	-
Sub - Total (A)	-	-
	-	-
Work-in-Progress at the End of the Year	-	-
Less: Work-in-Progress at the End of the Year	-	-
Sub - Total (B)	-	-
	-	-
Stock-in-Trade	-	-
Stock at the Beginning of the Year	11.54	25.33
Less: Stock at the End of the Year	-100.86	11.54
Sub - Total (C)	-89.32	13.79
(Increase) / Decrease in Inventories (A+B+C)	-89.32	13.79

Note 25 Other Manufacturing Expenses

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Freight & Cartage	15.26	175.83
Job Work Charges	54.30	46.62
Other Manufacturing Exp.	9.50	14.55
	79.07	237.00

Note 26 Employee Benefits Expense

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Directors Remuneration	27.60	28.95
Salaries & Wages	216.27	175.65
Gratuity	3.19	6.10
Bonus	6.57	4.25
Contribution to Provident Fund	1.03	1.17
Contribution Towards ESI	0.97	0.68
Administration Expenses on PF & ESI	0.08	0.08
Incentive to Staff	3.87	1.58
Staff Welfare Exp.	7.16	5.51
Leave Encashment	0.65	-
Overtime Expense	1.36	0.91
TOTAL	268.74	224.88

Note 27 Finance Cost

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Bank Charges	1.16	1.81
Bank Interest	103.54	-
Car Loan Interest	-	1.04
Interest on Lease Liab	0.61	-
Interest on Loan	284.77	266.29
Loan Processing Charges	15.07	14.67
TOTAL	405.15	283.81

Note 28

Other Expenses

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
(B) ADMINISTRATIVE EXPENSES		
Annual Listing Fees	6.00	-
Annual Maintenance Charges	0.67	0.67
Bad Debt	0.08	19.35
BSE Processing Fees	-	4.10
Business Promotion Exp.	18.77	5.34
Clearing & Forwarding Exp.	1.89	0.92
Commission	32.39	6.52
Conveyance Expenses	0.95	1.00
Cartage expense	0.03	
Electricity & Generator Charges	27.47	30.31
Festival Exp.	1.98	7.25
Foreign Exchange Fluculation Exp.	0.31	0.55
Insurance Exp.	5.58	3.23
Late Fee GST	0.01	1.23
Loss on Disposal of ROU & Lib.	-	3.91
Misc Exp.	1.34	0.76
Municipal Taxes	0.31	0.79
NSDL Charges	4.04	-
Office Exp.	3.46	3.32
Other Exp.	0.15	0.20
Penalties & Interest	0.63	0.40
Postage & Courier exp.	0.50	0.26
Printing & Stationery Exp.	4.32	2.71
Professional Charges	36.89	51.47
Director Sitting Fees	12.30	7.25
Rent Exp.	2.14	3.20
Repair and Maintainence	2.53	4.17
ROC Fees	0.34	1.07
Round off	0.00	-
Security Expenses	1.66	0.98
Server Rent	-	0.51
Software Exp.	1.62	1.27
Subscriptionn charges	0.22	
Interest on Tds & Income tax exp	5.22	0.08
Audit Fees	10.00	4.00
Telephone Exp.	1.15	1.24
Testing Exp.	0.13	0.18
Marine insurance Exp.	-	0.96
Tour & Travelling Exp.	14.17	19.59
Website Maintainance Charges	1.49	1.15
Debtors Written off	0.79	0.08
Statutory Expense	-	0.98
Total(B)	201.53	191.00

RACE ECO CHAIN LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 29 Remuneration to auditors (exclusive of taxes)

(Rs. in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Payment To Auditors:		
Statutory Auditor:		
Statutory Audit & Limited Reviews	7.50	2.50
Internal Auditor Fees	2.50	-
Internal Auditor:		
Internal Audit Fees		
Total	10.00	2.50

Note 30 Earnings per equity share

(Rs. in Lacs, except EPS)

Particulars	As at 31st March 2025	As at 31st March 2024
Net profit attributable to equity shareholders [A]	375.76	156.72
Weighted average number of equity shares issued (face value of Rs. 10 each) (Numbers in Lacs)	168.55	164.32
Total Weighted average number of equity shares [B] (face value of Rs. 10 each) (Numbers in Lacs)	168.55	164.32
Basic earnings per share [A/B] (in Rs.)	2.23	0.95
Net Profit attributable to equity shareholders [C]	375.76	156.72
Less : Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
Net profit attributable to equity shareholders for calculation of diluted EPS [C-D]	375.76	156.72
Weighted average of equity shares issued (face value of Rs 10 each)	171.04	164.32
(Numbers in Lacs) [E]		
Weighted number of additional equity shares outstanding for diluted EPS	-	-
(Numbers in Lacs) [F]		
Weighted number of equity shares outstanding for diluted EPS	171.04	164.32
(Numbers in Lacs) [E+F]		
Diluted earnings per share [C-D/E+F] (in Rs.)	2.20	0.95

Note 31 Foreign currency transactions

(i) Income in foreign currency (On accrual basis)

(Rs. in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Export of Goods	59.58	37.28
Total	59.58	37.28

Note 32 Unhedged foreign currency exposure

a) Payables- Nil

b) Receivables

(Rs. in Lacs)

Particulars	Currency	As at	As at
		31st March 2025 (Rs. in Lacs)	31st March 2024 (Rs. in Lacs)
Nature Planet Aps	USD	0.59	-

Note 33

Employee benefits

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

Defined Benefit Plan – Gratuity

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

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

Interest Rate Risk	The plan exposes the Company to the risk of falling interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk	This is the risk that the Company may not be able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.
Regulatory Risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000 etc.).

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

Particulars	(Rs. in Lacs)	
	For the period ending	
	March 31, 2025	March 31, 2024
Change in benefit obligations		
Benefit obligations at the beginning	10.00	16.15
Current Service Cost	5.56	4.89
Past Service Cost	0.00	0.00
Interest on defined benefit obligation	0.72	1.22
Actuarial loss / (gain)	-1.12	-12.25
Benefit Paid	-3.08	0.00
Closing Defined Benefit Obligation (A)	12.07	10.00
Translation/ Forex impact (B)	0.00	0.00
Payable gratuity benefit (A-B)	12.07	10.00
Current Provision (Refer note 17)	0.00	0.00
Non-Current Provision (Refer note 17)	12.07	10.00

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

Particulars	For the period ending	
	March 31, 2025	March 31, 2024
Current Service Cost	5.56	4.89
Past Service Cost		
Interest on net defined benefit obligations	0.72	1.22
Net Actuarial (Gain) / Loss recognised in the period	-3.08	
Total Included in "Employee Benefit Expense"	3.19	6.10

(iii) Amount recognised in the Other Comprehensive Income

Particulars	For the period ending	
	March 31, 2025	March 31, 2024
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	0.71	0.33
- experience variance (i.e. Actual experience vs assumptions)	1.82	12.58
Components of defined benefit costs recognised in other comprehensive income	1.12	12.25

(iv) Principle actuarial assumption

Assumptions	March 31, 2025	March 31, 2024
Discount Rate (per annum)	6.75%	7.20%
Salary escalation (per annum)	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

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

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

(v) Sensitivity Analysis

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

(Rs. in Lacs)				
Particulars			March 31st 2025	March 31st 2024
Defined Benefit Obligation (Base)			12.07	10.00
(Rs. in Lacs)				
Particulars	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	16.94	13.65	11.18	8.99
(% change compared to base due to sensitivity)	11.74%	-9.94%	11.80%	-10.10%
Salary Growth Rate (- / + 1%)	13.61	16.95	8.96	11.20
(% change compared to base due to sensitivity)	-10.18%	11.83%	-10.40%	12.00%
Attrition Rate (- / + 50% of attrition rates)	14.99	15.12	9.98	9.85
(% change compared to base due to sensitivity)	-1.14%	-0.27%	-0.20%	-1.50%
Mortality Rate (- / + 10% of mortality rates)	15.14	15.14	9.99	10.01
(% change compared to base due to sensitivity)	-0.09%	0.09%	-0.10%	0.10%

(vi) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	11 Years
Expected cash flows over the next (valued on undiscounted basis):	Rs. in Lacs
1 year	0.41
2 to 5 Years	3.65
6 to 10 Years	8.23
More than 10 Years	25.10

Note 34 Related Party Transactions (as per INDAS 24)

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

(i) Names of related parties and nature of relationship

Category of related parties	Name of Related Parties
Associates	Prime Industries Limited
Subsidiaries:	India Polymer Pvt Ltd
	Silverline Eco Thrive Limited
	Ganesha recycling Chain Private Limited
	Vasundhara Envirogreen Private Limited
Promoters & Key Management Personnel	Sunil Kumar Malik
	Anil Kumar Behl
	Pranav Vasani
	Dinesh Pareekh
	Sangeeta Pareekh
	BLP Equity Research Pvt Ltd
	BGP -11 Analytics Pvt Ltd
	Sanjay Kukreja
	Lalit Malik
	Seema Malik
	Shiwati Gandhi
	Piyanshu Sharma
Relatives of Directors and Key Management Personnel	
Entities in which the Key Management Personnel and their relatives identified above having control/ significant influence	1) Vista Furnishing Ltd.
	2) Securocrop Securities India Pvt Ltd.
	3) Gem Enviro Management Pvt Ltd.
	4) Kalyan Capitals Limited.
	5) SVP Housing Limited.
	6) Gin Spin Pvt. Ltd.

(ii) Transactions with Related Parties

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

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

(Rs. in Lacs)

Nature of Transaction	2024-25		2023-24	
	Transaction	Balance	Transaction	Balance
Key Management Personnel				
<u>Remuneration & Incentives</u>				
(a) Mr. Sunil Kumar Malik	24.00		24.00	
(b) Mr. Anshu Agarwal	0.00		3.90	
(c) Mr. Ramanand Gupta	0.00		4.95	
(d) Ms. Shiwati	7.29		6.73	
(e) Piyanshu Sharma	5.00		3.26	
<u>Loan Taken</u>				
Mr. Sunil Kumar Malik	0.00	0.00	7.38	3.10
Mr. Dinesh Pareekh	0.00	0.00	400.00	200.00
<u>Intercompany Loan Taken</u>				
Securocrop Securities India Private Limited	0.00	0.00	200.00	853.00
BLP Equity Research Pvt Ltd	0.00	0.00	0.00	325.00
BGP 11 ANALYTICS PVT LTD	0.00	0.00	400.00	200.00
<u>Loan Repaid</u>				
Mr. Sunil Kumar Malik	3.10	0.00	18.51	3.10
Mr. Dinesh Pareekh	0.00	0.00	225.00	0.00
<u>Intercompany Loan Repaid</u>				
BLP Equity Research Pvt Ltd	325.00	0.00	0.00	325.00
BGP 11 ANALYTICS PVT LTD	200.00	0.00	200.00	0.00
Securocrop Securities India Private Limited	853.00	0.00		
SVP Housing Limited	0.00	300.00		
<u>Interest paid on Intercompany Loan</u>				
BLP Equity Research Pvt Ltd	14.79	0.00	27.22	37.36
Securocrop Securities India Private Limited	30.98	0.00	55.52	104.94
BGP 11 ANALYTICS PVT LTD	8.83	0.00	13.00	13.00
SVP Housing Limited	30.76	61.08		
<u>Loan Given</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	75.00	0.00
Kalyan Capitals Limited	243.00	75.00	1292.55	807.62
India Polymer Pvt Limited	24.76	0.53		
Ganesha Recycling Chain Pvt Ltd	1098.36	211.52		
Silverline Eco Thrive Limited	585.21	585.21		
<u>Loan Received Back</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	264.00	0.00
Kalyan Capitals Limited	975.62	75.00	592.78	807.62
India Polymer Pvt Limited	24.23	0.53	0.00	0.00
Ganesha Recycling Chain Pvt Ltd	886.83	211.52	0.00	0.00
Silverline Eco Thrive Limited	0.00	585.21	0.00	0.00
<u>Interest received</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	3.22	0.00
Kalyan Capitals Limited	55.28	24.41	27.44	22.60
Ganesha Recycling Chain Pvt Ltd	2.65	2.17		
Silverline Eco Thrive Limited	21.32	17.44		
India Polymer Pvt Limited	0.00	0.00		
<u>Purchases Made</u>				
Vista Furnishing Pvt Ltd	744.17	39.53	2.27	0.00
Gem Enviro Management Private Limited	6.00	0.83	0.00	0.00
Silverline Eco Thrive Limited	1189.00	352.35	0.00	0.00
<u>Sales Made</u>				
Vista Furnishing Pvt Ltd	160.77	146.13	6.42	0.00
Gin Spin Pvt.Ltd	89.31	89.31	0.00	0.00
Kalyan Capitals Limited	0.00	0.00	0.39	0.00
Briquettes Vista Furnishing Pvt. Ltd.	0.00	0.00	9.65	0.00

Note 35 **Income Taxes**

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

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

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

a.) Income Tax Expense recognised in Statement of Profit and loss for the period:**(Rs. In Lacs)**

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Current Tax:		
- Relating to Current year	127.70	84.26
- Relating to Preceding year	-7.64	0.00
Deferred Tax:		
- Relating to Current year	-19.49	29.12
Total	100.57	113.38

b.) Income tax expense/(benefit) recognised directly in other comprehensive income for the period:**(Rs. In Lacs)**

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Income tax expense/(benefit) recognised in other comprehensive income		
- Relating to Tax effect on actuarial (gain)/ loss on defined benefit obligations	0.28	3.08
- Related to Tax effect on net gain/(loss) on fair value of current investment	-35.05	-
Total	-34.77	3.08

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

(Rs. In Lacs)

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Accounting Profit/(loss) Before Tax	476.33	270.10
Enacted tax rate	0.25	0.25
Computed tax expense	119.88	67.98
Tax effect of:		
Non-deductible expenses/Allowable income for tax purpose	19.35	19.46
Deductible expenses /Disallowable income for tax purpose	-11.53	-11.06
Deductions on income	-	-
Income taxed at lower rate	-	-
Income tax/(benefit) relating to previous years	-	-
Deferred tax liability/(asset) charged during the year	-	-
Total Tax expense charged	127.70	76.38
Effective tax rate	26.81%	28.28%

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

(Rs. In Lacs)

Deferred tax assets/(liabilities)	in OCI	in Profit & Loss	Total
Balance as at 1st April, 2023	0.06	24.93	24.99
Expense allowed in the year of payment (Gratuity)	-	-	-
Difference between book and tax depreciation	-	-29.12	-29.12
Differences as per ICDS	-	-	-
Other	-	-	-
Balance as at 31st March, 2024	0.06	-4.19	-4.13
Expense allowed in the year of payment (Gratuity)	-0.28	-	-0.28
Expense allowed in the year of payment (Investment)	35.05		35.05
Difference between book and tax depreciation	-	19.49	19.49
Asset on Lease and Lease Liability	-	-	-
Differences as per ICDS	-	-	-
Other	-	-	-
Adjustment due to prior period items	-	-	-
Balance as at 31st March, 2025	34.83	15.31	50.14

Fair value hierarchy:

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

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value measurement

(i). Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31st March, 2025:

Particulars	Carrying amount			Total	Fair Value			(Rs. in Lakhs)
	FVPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	Total
Financial assets:								
(a) Cash and Cash equivalents	-	-	434.17	434.17	-	-	-	-
(b) Bank Balance other than (a) above	-	-	-	-	-	-	-	-
(c) Derivative financial instruments	-	-	-	-	-	-	-	-
(d) Securities for trade	-	-	-	-	-	-	-	-
(e) Receivables	-	-	-	-	-	-	-	-
(I) Trade Receivables	-	-	9,509.66	9,509.66	-	-	-	-
(II) Other Receivable	-	-	-	-	-	-	-	-
(f) Loans	-	-	941.97	941.97	-	-	-	-
(g) Investments	-	0.01	2,147.51	2,147.52	0.01	-	-	0.01
(h) Other Financial assets	-	-	1,424.34	1,424.34	-	-	-	-
Total financial assets	-	0.01	14,457.65	14,457.66	0.01	-	-	0.01
Financial liabilities:								
(a) Derivative financial instruments	-	-	-	-	-	-	-	-
(b) Payables	-	-	-	-	-	-	-	-
(I) Trade Payables	-	-	2,324.33	2,324.33	-	-	-	-
(II) Other Payables	-	-	-	-	-	-	-	-
(c) Debt Securities	-	-	-	-	-	-	-	-
(d) Borrowings (Other than Debt Securities)	-	-	5,845.06	5,845.06	-	-	-	-
(e) Lease Liabilities	-	-	10.90	10.90	-	-	-	-
(f) Other financial liabilities	-	-	48.95	48.95	-	-	-	-
Total financial liabilities	-	-	8,229.24	8,229.24	-	-	-	-

(ii). Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other receivables. These are financial assets whose carrying amounts approximate fair value largely due to their short term nature.

Additionally, financial liabilities such as trade payables, borrowings and Lease liabilities are not measured at fair value, whose carrying amounts approximate fair value largely due to the nature of these liabilities.

Note 37 Financial risk management

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

A. Market Risk

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

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to foreign currency risk at the end of reporting period is shown in note no 37

(ii) Interest rate risk

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

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

(iii) Market price risks

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

B. Liquidity risk

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

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

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

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

(Rs. in Lacs)

Particulars	On Demand / less than 3 months	Payable within 3 to 12 months	Payable more than 1 year and less than 5 year	Payable more than 5 year
Year ended 31st March 2025				
Payables				
(I) Trade payables		2,310.68	13.65	-
(II) Other payables		4.94	-	-
Borrowings (Other than debt securities)		5,845.06	-	-
Year ended 31st March 2024				
Payables				
(I) Trade payables		1,211.73	75.19	-
(II) Other payables		22.73	-	-
Borrowings (Other than debt securities)		3,683.88	-	-

C. Credit risk

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

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

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

NOTE : 38 **Contingent liabilities (to the extent not provided for)**

(Rs. in Lacs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(i) Guarantees given	Nil	Nil
(ii) Demand in respect of income tax matters (Refer Note a below)	18.85	Nil

(a) Demand in respect of income tax matters # :-

(i) The Company has outstanding demand of Rs. 14.44 lacs related to Assessment Year 2024-25, Rs. 0.91 lacs to Assessment Year 2021-22, Rs.0.49 lacs to Assessment Year 2010-11 and Rs.2.99 lacs to Assessment Year 2009-10 in respect of Income Tax matters.

The Company is contesting these demands and the management believe that its position will likely to be upheld in the appellate process/rectifications etc. and accordingly no provision has been accrued in the financial statements for these tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

Based on favourable decisions in similar cases, the Company does not expect any liability against these matters in accordance with principles of Ind AS -12 'Income taxes' read with Ind AS -37; Provisions, Contingent Liabilities and Contingent Assets' and hence no provision has been considered in the books of accounts for such instances.

The above amounts doesn't contain interest and penalty where included in the order issued by the department to the Company.

NOTE : 39 **Commitments**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Estimated amount of contracts remaining to be executed on capital account.	Nil	Nil

NOTE : 40 **Title deeds of immovable property not held in the name of the company.**

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

NOTE : 41 **Details of Loan & Advances in the nature of loan granted to Promoters, Directors, Key Management Personnel & the related parties (as defined under Company Act 2013)**

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

The company has not granted loans or advances in the nature of loans to the director, promoters, Key managerial personnel and their relatives.

NOTE : 42 Ratio analysis

S. No.	Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reasons of Variance
1	Current Ratio	Current Assets	Current Liabilities	1.40	1.28	9.29	
2	Debt Equity ratio	Total Debt	Shareholders Equity	3.39	2.24	51.08	During the Year there is an infusion of Short term borrowings in the Company
3	Debt Service Coverage ratio	Earnings Available for Debt Service (Net profit before Taxes+ Non Cash operating Expenses Depreciation and Auxillary+ Interest+ other Adjustments like loss on sale of Fixed Assets etc)	Debt Service (Interest+Lease Payments+ Principal Repayments)	2.34	2.19	7.23	
4	Return on Equity	Net Profit after tax- Preferred Dividend (If Any)	Equity	22%	10%	128.30	Due to increased operating revenue the net profit increased resulting in increased Ratio.
5	Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	NA	NA	NA	
6	Trade Receivable Turnover Ratio	Net Credit Sale	Average Accounts receivable	6.21	7.53	-17.53	
7	Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payable	24.65	26.52	-7.05	
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	13.92	23.99	-41.96	During the year the operating Revenue increased as Compared to the Previous year)
9	Net Profit ratio	Net Profit	Net Sales	0.82	0.46	76.32	During the year the net profit of the Company Increased
10	Return on Capital Employed	Earning before Interest & Taxes	Capital Employed (Tangible Net Worth+ Total Debt+DTL)	16.33	24.92	-34.48	During the year the net profit of the Company Increased
11	Return on investment	Net Return on Investment	Cost of Investment	12.68	7.72	64.19	During the year the investment were acquired.

NOTE : 43**Capital work in progress ageing & overdue or has exceeded to its original plan**

The Capital Work in Progress-Building is going to be completed with in scheduled time next year as per below ageing

CWIP	Amount in CWIP for a period of
	Less than 1 year (Rs. In Lakhs)
1-PROJECTS IN PROGRESS	
(i)Construction at khasra No. 768, Ranchi , Jharkhand, 835217	0.74
2-PROJECTS TEMPORARILY SUSPENDED	-
Total	0.74

NOTE : 44**Intangible assets under development**

Company does not have any intangible assets under development.

NOTE : 45**Details of Benami Property held**

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

NOTE : 46**Wilful defaulter**

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

NOTE :47**Relationship with stuck of the company**

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

NOTE :48**Registration of Charge/Satisfaction**

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

NOTE : 49**Compliance with number of layer of completion**

The company have two layers subsidiary company as such there is no non compliance with the number of layers prescribed under clause (87) section 2 of the Act read with companies (Restriction on number of layers) Rules, 2017.

NOTE : 50**Compliance with approved scheme (s) of arrangements**

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

- NOTE : 51 Utilisation of borrowed fund & Share Premium**
a) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entities including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or
- b) The company has not received any fund from any person or entities including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;
- NOTE : 52 Undisclosed Income**
The company has neither surrendered nor disclosed any income during the year in the tax assessments under the Income Tax Act,
- NOTE : 53 Corporate Social Responsibility (CSR)**
Not Applicable
- NOTE : 54 Cryptocurrency or Virtual Currency**
The company has neither traded nor invested in cryptocurrency or virtual currency as such no disclosure is required.
- NOTE : 55 DISCLOSURE REQUIREMENTS UNDER MSMED ACT, 2006**
The Company has no dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:
- NOTE : 56** Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV WASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

NOTE:57 Segment Disclosures

Operating segments are defined as components of an enterprise for which discrete financial information so available that is evaluated regularly by Chief Operating decision -maker (CODM), in deciding how to allocate resources and assessing performance.

The Company has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

SEGMENT	ACTIVITIES
Recycle Division	All types Waste Plastic, Pipes & Paper
Restore Division	Home furnishing, Bags & Garments
Biomass Division	Sale of BRIQUETTES
Unallocated	Not allocable to any other segments

` in Lacs

1 Segment Revenue	Year ended March 31, 2025			Year ended March 31, 2024		
	External	Internal Segments	Total	External	Internal Segments	Total
Recycle Division	43,265.39		43,265.39	29,185.67		29,185.67
Restore Division	893.82		893.82	233.68		233.68
Biomass Division	1,870.70		1,870.70	4,430.54		4,430.54
Unallocated						
Total	46,029.91		46,029.91	33,849.89		33,849.89
Eliminations						
Revenue from Operations	46,029.91		46,029.91	33,849.89		33,849.89
2 Segment Results(PBT)	Year ended March 31, 2025			Year ended March 31, 2024		
Recycle Division			796.37			576.94
Restore Division			25.47			(6.09)
Biomass Division			21.08			57.65
Unallocated			38.55			(74.60)
Total			881.47			553.91
Eliminations						
Consolidated Total			881.47			553.91
Unallocated (expense) net						
unallocated income						
Profit before Interest and Taxation			881.47			553.91
Finance Costs			405.15			283.81
Profit Before Tax			476.33			270.10
Tax Expense			100.57			113.38
Profit After Tax from						
Continuing Operations			375.76			156.72
OCI Profit/ Loss			(103.39)			9.17
Profit for the period after Tax			272.37			165.89

3 Other Informations ` in Lacs			
Particulars	Year ended March 31, 2025		Year ended March 31, 2024
Segment Assets			
Recycle Division	11,673.16		5,072.93
Restore Division	489.02		241.89
Biomass Division	151.73		463.55
Unallocated	3,182.76		1,549.03
less : Intersegment Eliminations			
	15,496.67		7,327.39
Add:Unallocable Assets			
Total Assets	(A) 15,496.67		(A) 7,327.39
Segment Liabilities			
Recycle Division	7,639.26		1,858.70
Restore Division	62.24		21.00
Biomass Division	93.29		62.37
Unallocated	582.25		3,162.46
less : Intersegment Eliminations			
Add: Unallocable Liabilities			
Total Liabilities	(B) 8,377.04		(B) 5,104.52
Net Capital Employed	(A-B) 7,119.63		(A-B) 2,222.87

` in Lacs						
Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization
Recycle Division			36.54			21.09
Restore Division			28.21			44.72
Biomass Division			3.10			0.11
IT Division						
Unallocated						0.34
Segment Total			67.84			66.26

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Daryaganj, New Delhi-110002
Phone: 011-23283955



INDEPENDENT AUDITOR'S REPORT

To The Members of
RACE ECO CHAIN LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **RACE ECO CHAIN LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group" and its associates) which comprise the Consolidated Balance Sheet as at **31st March, 2025**, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at **31st March, 2025**, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's

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Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the sub-paragraphs (a) of the other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended **March 31, 2025**. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

<u>Key audit matters</u>	<u>How our audit addressed the key audit matter</u>
<u>(a) Related Party Transactions</u>	
1. The Company has various related party transactions which include sale, purchase of goods /services, loans taken and loans provide to the related parties. We identified the accuracy and completeness of disclosure of related party transactions set out in respective notes to the Ind AS financial statements as a key audit matter due to:	Our audit procedures in relation to the disclosure of related party transactions included the following: ➤ We obtained an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been

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➤ The significance of transactions with related parties during the year ended March 31, 2025. ➤ Related party transactions are subject to the compliance requirement under the companies Act, 2013 and SEBI (LODR) 2015.	disclosed in the Ind AS financial statement. ➤ Read minutes of meeting of the board of directors and Audit committee and assessed whether approvals have been obtained by the management, as required by Companies Act 2013 and LODR. ➤ We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arm-length by management, on a sample basis, as part of our evaluation of the disclosure. ➤ We assessed management evaluation of compliance with provision of section-177 and Section-188 of the Companies Act, 2013 and SEBI (LODR), 2015. ➤ We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
2.1 Acquisition of following subsidiaries and Associates A. Silverline Eco Thrive Limited, B. Ganesha Recycling Chain Private Limited, C. Vasundhara Enviro green Private Limited, D. Prime Industries Limited (Associate)	➤ We have compared the accounting treatment specified in the scheme formulated by the Company along with one specified in Ind As 110 and Ind As 28. ➤ We have critically evaluated the key assumptions, purchase price allocation adjustments and identification and valuation of Net Assets acquired.



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2.2 Disposal of following subsidiary:

Disposal of Abhay Innovative Recycling Private Limited during the Financial Year 2024-25.

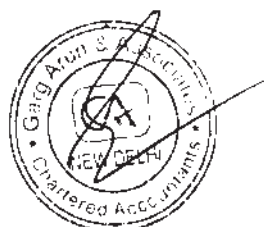
- We have assessed the Competence and objectivity of the experts engaged by the Company.
- We have assessed the adequacy of the Company's disclosures in respect of the acquisition in accordance with the requirements of Ind As 110 and Ind As 28.

Information other than the Consolidated Financial Statements and Auditors Report Thereon

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

Our Opinion on the consolidated financial statements does not cover the other Information and we do not express any form of assurance/conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



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Management's Responsibility for the Consolidated Financial Statements

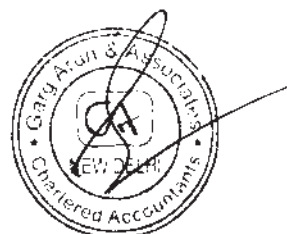
The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates are also responsible for overseeing the financial reporting process of the Group and its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance



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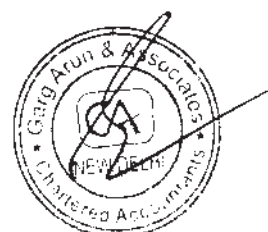
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is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and to cease to continue as a going



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concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe



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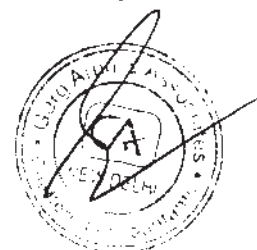
these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) The consolidated financial statement includes the audited financial statements of **5(Five) subsidiaries, and 1 (One) Associates** whose financial statements/ financial information reflect Group and its associates's share of total assets of **Rs. 4,267.85 lacs** as at March 31, 2025 and Group and its associates's share of total revenue of **Rs. 10,648.86 lacs** for period from April 01, 2024 to March 31, 2025 and Group and its associates's share of total net profit/(loss) after tax of **Rs. 43.73 lacs** for period from April 01, 2024 to March 31, 2025 and Group and its associates's share of total comprehensive income/(loss) of **Rs.0.00 lacs** and Group and its associates's share of cash flows [net] of **Rs.743.50 lacs** for the year ended on that date, as considered in the consolidated financial statement, which have been audited by their respective independent auditors. The independent auditors' reports on the financial statements of these entities have been furnished to us and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
2. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of accounts as required by law relating to



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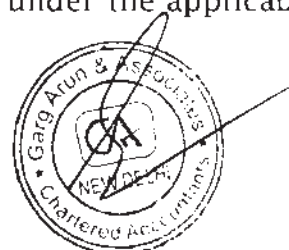
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preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company and subsidiary companies Incorporated in India, none of the directors of the Group and its associates companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the auditors' reports of the Holding Company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group and its associates has pending litigation with Income Tax Authorities and the possible impact of which has been disclosed in financial statements.
 - ii. The Group and its associates does not have any long-term contracts, but has made requisite provision for derivative contracts under the applicable law or



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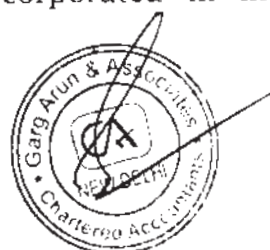
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accounting standards for any foreseeable losses, if any.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies incorporated in India.
- iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose



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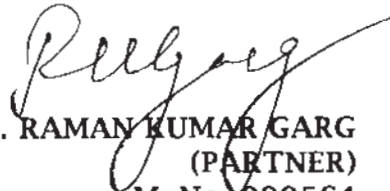
financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. In our opinion and to the best of our information and according to the explanations given to us, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31st, 2025 which has a feature of recording audit trail (edit log) facility. The audit trail feature was operated throughout the financial year for all relevant transactions recorded in the software. Further, we have not come across any instance of the audit trail being tampered with during the course of our audit, and the audit trails have been preserved by the Company as per the statutory requirements under the Companies Act, 2013.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Place: New Delhi
Date: 30 MAY 2025


CA. RAMAN KUMAR GARG
(PARTNER)
M. No. 090564
UDIN:
25090564BMJPYS8971



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Flat No.106, 4832/24, Ansari Road,
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Phone: 011-23283955



Annexure-A to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of RACE ECO CHAIN LIMITED

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

To The Members of
RACE ECO CHAIN LIMITED

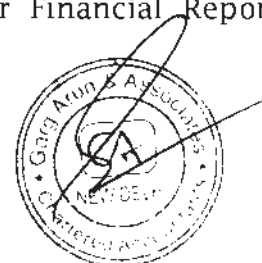
In conjunction with our audit of the Consolidated Financial Statements of **RACE ECO CHAIN LIMITED** ('the Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group and its associates"), as at and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of Holding Company and its subsidiaries, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the financial statements of the Holding Company, its subsidiary companies, company as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the



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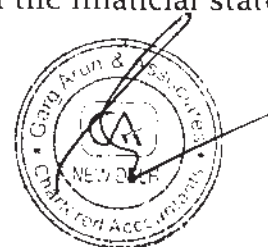
"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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



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Phone: 011-23283955



Inherent Limitations of Internal Financial Controls over Financial Reporting

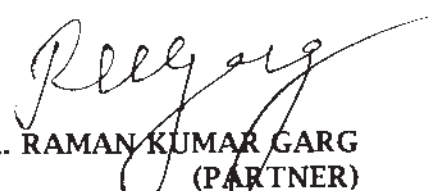
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

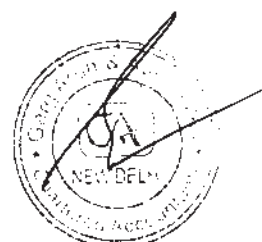
Opinion

In our opinion, the Holding Company, its subsidiary companies have, in all material aspects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: New Delhi
Date: 30 MAY 2025


CA. RAMAN KUMAR GARG
(PARTNER)
M. No. 090564
UDIN: 25090564BMJPYS8971



RACE ECO CHAIN LIMITED

Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001

CIN NO. L37100DL1999PLC102506

Consolidated Balance Sheet as at 31st March 2025

(Rs. In Lacs)				
Particulars	Note No.		As at 31st Mar 2025	As at 31st March, 2024
ASSETS				
Non-current assets				
(a) Property, plant and equipment	2(a)		1,037.85	818.61
(b) Capital work-in-progress	2(d)		51.90	262.53
(c) Investment Properties			-	-
(d) Goodwill			1.25	-
(e) Other intangible assets	2(b)		3.03	3.31
(f) Intangible assets under development			-	-
(g) Biological Assets other than Bearer Plants			-	-
(h) Financial assets			-	-
(i) Investments	3(a)		1,433.38	141.48
(ii) Trade Receivables			-	-
(iii) Loans and Advances			-	-
(iv) Other financial assets	4(a)		1,380.23	35.71
(i) Deferred tax assets (net)	5		53.38	-
(j) Other non-current assets	6 (a)		171.00	-
Sub-total - Non-Current Assets			4,132.02	1,261.63
Current assets				
(a) Inventories	7		124.05	96.36
(b) Financial assets			-	-
(i) Investments	3(b)		-	-
(ii) Trade receivables	8		11,940.60	5,510.51
(iii) Cash and cash equivalents	9(a)		526.17	43.50
(iv) Bank Balance Other than Cash and cash equivalents	9(b)		0.50	-
(v) Loans and Advances	10		124.85	1,120.41
(vi) Other financial assets	4(b)		44.10	35.17
(c) Current Tax assets (net)	11		81.05	61.43
(d) Other current assets	6(b)		1,260.20	167.08
Sub-total - Current Assets			14,101.54	7,034.47
TOTAL - ASSETS			18,233.56	8,296.10
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12		1,725.72	1,643.22
(b) Share Application Money pending Allotment			1,720.40	-
(b) Other equity	13		3,711.32	577.84
(c) Non Controlling Interest	57		635.67	2.66
Sub-total - Shareholders' funds			7,793.11	2,223.72
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Long Term Borrowings	14(a)		-	-
(ii) Lease Liabilities	15(a)		8.80	524.43
(iii) Trade Payables	16(a)		-	-
(iv) Other financial liabilities other than (i) and (ii) above			-	-
(b) Provisions	17(a)		14.75	9.82
(c) Deferred tax liabilities (net)	5		-	1.98
(d) Other non-current liabilities			-	-
Sub-total - Non-current liabilities			23.55	536.23
Current liabilities				
(a) Financial liabilities				
(i) Short Term Borrowings	14(b)		6,150.38	3,708.19
(ii) Lease Liabilities	15(b)		2.10	19.08
(iii) Trade Payables:-				
(A) Total Outstanding dues of Micro and Small Enterprises; and	16(b)		102.31	-
(B) Total Outstanding dues other than Micro and Small Enterprises	16(b)		3,495.92	1,676.40
(iii) Other financial liabilities other than (i) and (ii) above	18		54.38	-
(b) Other current liabilities	19		445.83	37.98
(c) Provisions	17(b)		165.97	94.50
(d) Other tax liabilities (net)			-	-
Sub-total - Current liabilities			10,416.90	5,536.14
TOTAL - EQUITY AND LIABILITIES			18,233.55	8,296.10
Significant Accounting Policies	1			
Notes to accounts forming Part of Financial Statements	28-57			

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV VASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED

Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001

CIN NO. L37100DL1999PLC102506

Consolidated Profit and Loss Account for the year ended 31 March 2025

(Rs.in Lakhs)

Particulars	Note No.	April 2024- Mar 2025	April 2023- Mar 2024
1. Total Income [sum of (a) to (b)]		55599.41	34818.00
(a) Revenue from Operations	20	55509.54	34748.14
(b) Other Income	21	89.87	69.86
2. Total Expenses [sum of (a) to (f)]		55051.01	34545.09
Cost of Materials Consumed			
a) Purchase of Stock-in-Trade	22	53791.91	33465.94
b) Cost of Raw Materials Consumed	23	216.80	22.89
c) Changes In Inventories of Finished Goods, Work-in-progress and Stock in Trade.	24	-112.42	0.48
d) Other Manufacturing expense	25	79.07	237.00
e) Employee benefits expense	26	307.28	224.88
f) Finance Costs	27	424.13	293.51
g) Depreciation and amortisation expense	2	86.98	80.17
h) Other expenses	28	257.27	220.22
3. Profit from ordinary activities before exceptional items (1-2)		548.40	272.91
4. Exceptional Items - net credit / (charge)			
5. Share of Profit and (Loss) in associates		6.18	
5. Profit from Ordinary Activities Before Tax (3-4)		554.58	272.91
6. Tax expense			
a. Current Tax	35(a)	165.43	91.23
b. (Excess)/provision for tax related to earlier years		-7.64	
c. Deferred Tax	35(d)	-22.69	26.97
7. Net Profit from Continuing Operations [5-(6a.+6b.+6c.)]		419.48	154.70
8. Profit / (Loss) from Discontinued Operations (after tax)			
9. Net Profit for the period (7+8)		419.48	154.70
10. Other Comprehensive Income			
(a) (i) Items that will not be re-classified to Profit or Loss			
- Components of defined benefit costs	35(b)	1.12	12.25
- Net Gain on Fair Value of Current Investments		-139.28	
(ii) Income Tax relating to those items	35(d)	34.77	3.08
(b) (i) Items that will be re-classified to Profit or Loss		0.00	
- Net Gain on Fair Value of Current Investments			
(ii) Income Tax relating to those items			
Total Other Comprehensive Income (a+b)		-103.39	9.17
11. Total Comprehensive Income/Loss for the period (net of tax) (9+10)		316.08	163.87
Total profit or loss, attributable to:			
- Owners of company		389.29	154.91
- Non-controlling interests		30.18	-0.21
Other Comprehensive income/(loss) for the year attributable to:			
- Owners of company		-103.39	9.17
- Non-controlling interests		0.00	0.00
Total Comprehensive income for the year attributable to:			
- Owners of company		285.90	164.08
- Non-controlling interests		30.18	-0.21
12. Paid up Equity Share Capital (face value Re. 10 per share)		1725.72	1643.22
13. Earnings Per Share (EPS) (of Re. 10/- each) (not annualised):			
(a) Basic EPS - Rs.		2.49	0.92
(b) Diluted EPS - Rs.		2.45	0.92
See accompanying notes to financial statements			

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV VASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED
Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001
CONSOLIDATED CASH FLOW STATEMENT AS ON 31/03/2025

(Rs.in Lakhs)				
Particulars	For the period ended 31st March 2025		For the period ended 31st March 2024	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		548.40		272.90
Adjustments for:		452.00		332.49
Depreciation and amortisation	86.98		80.17	
(Profit) / loss on sale / write off of assets	0.00		0.00	
Finance costs	424.13		293.51	
Interest income	-30.83		-41.19	
Profit on Investment				
Provision for Tax				
Gain on disposal of Subsidiary	-28.28			
Rental Income				
Operating profit / (loss) before working capital changes		1000.40		605.40
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	-6430.10	-7570.53	-1845.70	-1914.88
Current Tax Assets	-19.62		-3.13	
Other current assets	-1093.12		-31.21	
Inventories	-27.69		-34.84	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	1921.84	2389.23	504.60	456.67
Other current liabilities	407.85		-13.22	
Other Financial Liabilities	54.38			
Short-term provisions	4.93		-5.55	
Long-term provisions	0.23		-29.17	
		-4180.89		-852.82
Cash flow from extraordinary items				
Cash generated from operations		-4180.89		-852.82
Net income tax (paid) / refunds		83.60		
Net cash flow from / (used in) operating activities (A)		-4264.49		-852.82
B. Cash flow from investing activities				
Capital expenditure onproperty, plant & equipments, including capital advances		-1503.57		-1820.63
Proceeds from sale of property, plant & equipments in subsidiary	814.29			
Purchase of Property, Plant & Equipment	-886.50		-347.67	
Increase in Rou Asset	0.00		-556.47	
Acquisition of Subsidiary	-1566.30		-141.16	
Disposal of Subsidiary				
Other financial assets (Non-Current)	-171.00		-23.81	
Other non-current assets				
Rental Income				
Interest received	30.83		41.19	
Net gain / (loss) on sale of investments				
Changes in Loans & Advances	-348.97		-777.67	
Other financial assets (Current)	-8.93		-17.71	
Change in NCI	633.01		2.66	
Net cash flow from / (used in) investing activities (B)		-1503.57		-1820.63
C. Cash flow from financing activities				
Proceeds from issue of equity shares	4624.40	6109.86		2407.21
Proceeds/ (Repayment) from long-term borrowings	0.00		-19.71	
Proceeds from short-term borrowing	2442.19		2176.92	
Lease Liabilities assumed	-532.61		543.51	
Finance cost	-424.13		-293.51	
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		6109.86		2407.21
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		341.79		-266.24
Cash and cash equivalents at the beginning of the year		43.50		309.74
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		526.67		43.50
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Closing Cash and cash equivalents as per Balance Sheet				
(a) Cash on hand		41.01		15.43
(b) Balances with banks				
(i) In current accounts		485.17		27.57
(ii) In EEFC accounts				
(iii) In Fixed deposit accounts		0.50		0.50
(c) Interest accrued on deposits				
(d) Current investments considered as part of cash & cash equivalents				
		526.67		43.50
See acGrouping notes forming part of the financial statements				

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV VASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

RACE ECO CHAIN LIMITED

Shop No. 37, Shanker Market, New Delhi, Central Delhi-110001

CIN NO. L37100DL1999PLC102506

Consolidated statement of changes in equity for the year ended March 31, 2025

(Rs. in Lakh)

A. Equity share capital						
As at April 1, 2023						1643.22
Changes in equity share capital during the year						0.00
As at March 31, 2024						1643.22
Changes in equity share capital during the year						82.50
As at March 31, 2025						1725.72
B. Other equity						(Rs. in Lakh)
Particulars	Reserves and surplus				Non controlling Interest	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 1, 2023				413.76	0.00	413.76
Non Controlling Interest				0.00	2.87	2.87
Profit for the year	-	-	-	154.91	-0.21	154.70
Other comprehensive income for the year	-	-	-	9.17	0.00	9.17
Total comprehensive income for the year	-	-	-	577.84	2.66	580.50
Dividend paid	-	-	-	-	-	-
Other						
Balance as at March 31, 2024	-	-	-	577.84	2.66	580.50
Non Controlling Interest	-	-	-		605.17	605.17
Profit for the year	-	-	-	389.29	30.18	419.48
Other comprehensive income for the year	-	-	-	-103.39	0.00	-103.39
Changes during the year	1720.40	2821.50			-2.34	4539.56
Total comprehensive income for the year	1720.40	2821.50	-	863.74	635.67	6041.31
Dividend paid	-	-	-	-		0.00
Other				26.07		26.07
Balance as at March 31, 2025	1720.40	2821.50	0.00	889.82	635.67	6067.39

The accompanying notes are an integral part of the financial statements.

AS PER OUR REPORT OF EVEN DATE ANNEXED

FOR GARG ARUN & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN : 08180N

RAMAN KUMAR GARG

(PARTNER)

M.NO.090564

PLACE : DELHI

DATED :

FOR RACE ECO CHAIN LIMITED

Sd/-

PRANAV VASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-

PIYANSHU SHARMA
CFO

Sd/-

SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-

SHIWATI
COMPANY SECRETARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025

NOTE 1 :

Corporate Information

RACE ECO CHAIN LIMITED ('the Company'), was incorporated on November 22, 1999 as a Company under the Companies Act, 1956 ('the Act'). The Company has registered office at .UNIT NO.203, PLAZA- P 3, CENTRAL SQUARE BARA HINDU RAO, DELHI -110006 India. The Company is listed on the BSE Limited and National Stock Exchange of India Limited (Recognised Stock Exchanges in India).

Significant accounting policies

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

1.1 Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented in these Consolidated financial statements.

The Consolidated Financial Statements have been prepared using the significant accounting policies and measurement basis summarized as below. These accounting policies have been applied consistently over all the periods presented in these Consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

The Consolidated Financial Statements are presented in Indian Rupees which is also the functional currency of the Company.

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

(ii) Historical cost convention

The Consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Consolidated financial statements have been prepared on historical cost basis, except for the following:

- Certain Financial instruments are measured at fair value (refer accounting policy regarding Financial Instruments);
- Defined benefit plans – plan assets measured at fair value

(iii) Use of estimates and judgments

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

1.2 Principles of consolidation

The consolidated financial statements have been prepared on the following basis :-

(i) Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries; subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and they are deconsolidated from the date that control ceases.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Intercompany transactions, balances and unrealized gains on transactions within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of Profit and Loss including Other Comprehensive Income (OCI) is attributable to the equity holders of the Holding Company and to the non-controlling interest on the basis of the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

(ii) Associates

Associates are all entities over which the Group has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

- Equity method

Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognise the Group's share of post-acquisition profit and loss. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the carrying amount of the investment is reduced. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated to the extent of the Group's interest in these entities.

- Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group and therefore do not result in a loss of control. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is measured at fair value. If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized is de-recognized.

1.3 Business Combinations

The Group applies the acquisition method to account for business combinations. Acquisition related costs are recognised in consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, and if the consideration is lower, the gain is recognised directly in equity as capital reserve. In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve. The Group recognises any non-controlling interest in the acquired entity at fair value.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit and loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

1.4 Revenue Recognition

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

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

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

(i) **Interest income**

Interest income on financial asset at amortized cost is recognized on a time proportion basis.

(ii) **Other Income**

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

1.5 Income Tax

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

(i) **Current Tax**

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

(ii) **Deferred Tax**

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

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

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

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

1.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Measurement and recognition of leases as a Lessee

The Group has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Group has recognized Right-of-use assets as at 1st September 2024 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Group has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

Subsequently, Right-of-use asset are measured at cost less accumulated depreciation and impairment losses, if any. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Lease Liability and Right-of-Use Asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in Statement of profit and loss on a straight-line basis over the lease term.

Measurement and recognition of leases as a Lessor

As a lessor the Group identifies leases as operating and finance lease. A lease is classified as a finance lease if the Group transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

For Finance leases- amounts due from lessees are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Group does not have any leases under finance lease.

For Operating leases - Rental income is recognised on a straight-line basis over the term of the relevant lease.

1.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.8 Financial instruments

Initial recognition and measurement of Financial Asset & Liabilities:

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset.

The Group has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The Group has applied Ind AS 109 and classifies its financial liabilities in the following measurement categories:

- Fair value through profit or loss (FVTPL), and
- Amortised cost.

At initial recognition, Financial assets and financial liabilities are measured at fair value. If the Group measures a financial asset or financial liability not at its fair value through profit or loss (FVTPL), then, the transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions are added or reduced. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortised cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.

In all other cases, the difference is deferred till the timing of recognition of deferred profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

Fair value of financial instruments:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purpose. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

(A) Financial assets

(i) Subsequent measurement

1 Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2 Financial assets carried at Fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI) except interest / dividend income which is recognised in profit and loss. Amounts recorded in OCI are subsequently transferred to the statement of profit and loss in case of debt instruments. However, in case of equity instruments, the Group may, irrevocably elects to measure the investments in equity instruments either at FVOCI or FVTPL and makes such election on an instrument-by-instrument basis. If Group opts to measure the equity instrument at FVOCI, such fair value movements will be directly transferred to OCI.

(ii) Impairment

The Group applies the Ind AS 109 simplified approach to measure expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

(iii) Derecognition

A financial asset is derecognised only when :

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and either (a) Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(B) Financial liabilities

(i) Subsequent measurement

Financial liabilities carried at amortised cost

Financial liabilities at amortised cost primarily represented by borrowings, and trade payables are initially recognized at fair value, and subsequently carried at amortized cost.

(ii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

1.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.10 Property, plant and equipment

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

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

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Group provides pro-rata depreciation from the date of installation / asset is ready for use till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

The Residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

Estimated useful lives of items of Property, Plant and Equipments are as follows:-

Assets	Useful life
Furniture and Fixtures	10 years
Computers	3 years
Vehicles	8 years
Building	30 years
Motor Bike	10 years
Office Equipments	5 years
Electrical Equipments	10 years
Plant & Machinery	15 years
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less

Derecognition:

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

1.11 Intangible assets

Measurement at recognition:

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

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development. The Group amortizes intangible assets over its useful life commencing from the month in which the asset is first put to use. The Group provides pro-rata amortization from the day the asset is put to use.

Assets	Useful life
Software & Mobile Application	5 years

Derecognition:

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

1.12 Provisions and contingencies:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

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

Expected future operating losses are not provided for.

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

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

1.13 Employee benefits

(i) Short-term obligations

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

(ii) Post-employment obligations

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

Defined contribution plan:

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

Defined benefits plan:

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

1.14 Earnings per share

a) Basic earnings per share

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

b) Diluted earnings per share

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

1.15 Inventories

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

WIP & finished goods are valued at lower of cost & net realizable value.

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

1.16 Borrowing Costs

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

1.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Group.

The power to assess the financial performance and position of the Group and make strategic decisions is vested in the managing director who has been identified as the Chief Operating Decision Maker.

1.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

CONSOLIDATED RACE ECO BALANCE SHEET
AS PER COMPANIES ACT, 2013

Particulars		Rate	Gross Block				Accumulated Depreciation				Net Block	
			Balance as on 01/04/2024	Additions	Deductions/ Adjustments	Balance as at 31/03/2025	Upto 31/03/2024	Additions	Deductions/ Adjustments	Balance as at 31/03/2025	W.D.V. as on 31.03.2025	W.D.V. as on 31.03.2024
NOTE-02 (a) PROPERTY, PLANT & EQUIPEMENT												
PLANT & MACHINERY												
PLANT & MACHINERY	14.88%	55.74	123.29		179.03	29.47	8.90		38.37	140.66	26.28	
			-		-				-			
VEHICLES			-		-				-			
Car Fortuner	31.23%	27.09			27.09	27.09	-		27.09	0.00	0.00	
Activa Scooter	31.38%	0.88			0.88	0.65	0.07		0.72	0.16	0.23	
Grand Vitara Car	31.23%	23.34			23.34	8.37	4.79		13.16	10.18	14.97	
Maruti Eco	31.23%	6.46			6.46	3.34	1.09		4.43	2.03	3.13	
Hiro Honda	31.38%	0.98			0.98	0.12	0.22		0.34	0.64	0.86	
Creta Car	31.23%	17.64			17.64	1.35	4.22		5.57	12.07	16.29	
Innova Car	31.23%	24.43			24.43	4.75	5.09		9.84	14.58	19.68	
Kia Seltos	31.23%	23.05			23.05	0.99	5.76		6.75	16.30	22.06	
Pulsar	31.23%	-	1.69		1.69	-	0.26		0.26	1.42	-	
EICHER	31.23%		7.63		7.63		0.72		0.72	6.91		
TATA INTRA	31.23%		4.05		4.05		0.17		0.17	3.88		
			-		-				-			
Land			654.03		654.03	-		-	-	654.03		
			-		-				-		-	
FACTORY LAND & BUILDING			-		-				-		-	
FACTORY LAND-56/33	9.50%	4.57			4.57	0.67	0.22		0.89	3.68	3.90	
FACTORY LAND- A16/2		-			-	-			-		-	
FACTORY BUILDING-56/33	9.50%	192.43			192.43	63.91	23.14		87.05	105.38	128.52	
FACTORY BUILDING- A-16/2	9.50%	39.28			39.28	39.28	-		39.28	0.00	0.00	
Elevator	45.07%	11.15			11.15	10.64	-		10.64	0.50	0.50	
Electricity Service Line	9.50%	2.66			2.66	1.27	0.36		1.63	1.03	1.39	
GENERATOR	45.07%	19.64			19.64	16.40	0.69		17.09	2.55	3.24	
COMPUTER	63.16%	22.74	5.23		27.97	19.62	1.47		21.09	6.87	3.12	
FURNITURE & FIXTURES	76.83%	30.65	19.21		49.85	21.84	4.02		25.87	23.99	8.80	
Office Equipments	45.07%	52.52	5.35		57.87	35.15	8.15		43.30	14.57	17.37	
Right to Use		29.94	12.59		42.52	29.93	1.47		31.40	11.12	0.00	
Electric Equipment	25.89%	7.63	1.56		9.19	1.93	1.96		3.90	5.29	5.70	
TOTAL		592.83	834.60	-	1,427.44	316.78	72.80	-	389.58	1,037.85	276.05	
NOTE-02 (b) OTHER INTANGIBLE ASSETS												
INTANGIBLE ASSETS												
SOFTWARE AND MOBILE APPLICATIONS		9.51		-	9.51	6.20	0.28		6.48	3.03	-	
			-		-				-		-	
NOTE-02 (c) Right to use Asset			-		-				-		3.31	
Leasehold Building		556.46		556.46	-	13.91		13.91	-	-	-	
			-		-				-		-	
NOTE-02 (d) Capital Work in progress			-		-				-		542.55	
Capital Work In Progress		262.53	51.90	262.53	51.90	-	-	-	-	51.90	262.53	
			-		-				-		-	
TOTAL		1,421.33	886.50	818.99	1,488.84	336.90	73.08	13.91	396.06	1,092.78	1,084.43	

1,094.03 (1.25)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED on 31ST March, 2025

Note 3 (a) Non- Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2025	31-03-2024		31-03-2025	31-03-2024
		Number	Number		in Rs(In Lakhs)	in Rs(In Lakhs)
(I) Investment at cost						
Prime Industries Limited :-Share	Associate	4350000	4350000	Quoted	565.50	141.38
Add: Share of Profit of Associates					6.25	-
	TOTAL				571.75	141.38
Enviro Ecoplast Private Limited	Others	1000	1000	Unquoted	0.10	0.10
(II) Investment at FVTOCI						
Rudra Ecovation Limited :-Warrant	Others	2085000	0	Quoted	861.52	-
Total		6436000	4351000		1,433.38	141.48
Location wise breakup of Investments						
Investment in India		6436000	4351000		1,433.38	141.48
Investment Outside India		0	0		-	-
Total		6436000	4351000		1,433.38	141.48
Less: Allowance for impairment loss		0	0		-	-
Total (net)		6436000	4351000		1,433.38	141.48

(b) Current Investments

Particulars	Subsidiary /Others	Shares/Units		Quoted / Unquoted	Amount as at	
		31-03-2025	31-03-2024		31-03-2025	31-03-2024
		Number	Number		in Lacs	in Lacs

NIL

Note 4 Other Financial Assets

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
(a) Non-Current		
Deposits with Banks		
FDR pledged with Bank as margin for CC Limits	1,368.24	16.15
FDR with Bank	1.23	-
At Amortised Cost		
Unsecured, Considered Good		
Deposits		
Security Deposit	10.76	19.56
Total (A)	1,380.23	35.71
(b) Current		
At Amortised Cost		
Unsecured, Considered Good		
Deposits		
(a) Security Deposit		
Security Deposit for Rent **	38.05	34.12
Security With Others	6.06	1.06
Total (B)	44.10	35.17
Total (A+B)	1,424.34	70.88

* The Fixed deposit as other non-current financial assets includes deposit with remaining maturity above 12 months.

** Security for rent

Note 5 Deferred Tax Assets (Net)

(Rs. in Lacs)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Opening Balance	-1.98	24.99
Add: Current Year Deferred Tax Asset / (Liability) [Refer Note 41]	55.36	-26.97
Net Deferred Tax Assets / (Liabilities)	53.38	-1.98

Note 6 (a) Other Non Current Assets

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Advance for Machinery	171.00	-
	171.00	-

Note 6 (b) Other Current Assets**Unsecured, Considered Good****Advance**

GST Receivables	428.38	-
Advance to Suppliers	652.99	75.63
Advance to employees	36.35	4.46
Prepaid Expenses	2.74	1.09
Advance to Abhay	-	0.15
Duty Draw back Receivable	-	0.25
Rodtep Receivable	1.26	0.46
Interest Receivable	0.04	
Income Tax Refundable A.Y.2022-23	0.12	
Duties & Taxes	102.63	23.41
Advance for Land	-	24.20
Godown Advance	35.70	
Total (b)	1,260.20	129.64
TOTAL [(a)+(b)]	1,431.20	129.64

Note 7 Inventories

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Inventories :		
a) Raw		
Fabric	8.00	71.51
Total	8.00	71.51
b) Work In		
Progress Sub		
Total		
c) Finished		
Bags	-	-
Puma Products	-	11.54
Pet Washflakes	-	13.31
Total	-	24.85
d) Stock-in-Trade		
Bed Sheet	100.86	-
PET BOTTLE BALES	6.95	
WASTE PLASTICS (LOOSE PET BOTTLES)	8.24	
Total	116.05	-
Total Inventories	124.05	96.36

Note 8 Trade Receivables

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Trade Receivables- From Related Parties	279.44	-
Trade Receivables-From Others	11,661.16	5,510.51
TOTAL	11,940.60	5,510.51
Less : Impairment allowance		
Total Trade Receivables (net of Impairment)	- 11,940.60 -	5,510.51

a.) Ageing Schedule - Trade receivable

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Undisputed - Considered Good		
- Less than 6 Months	11,798.46	4,978.61
- 6 Months- 1 year	71.81	252.83
- 1-2 years	13.31	90.84
- 2-3 Years	57.01	-
- More than 3 Years	-	-
Undisputed Trade Receivables-which have significant increase in credit risk	-	-
Undisputed Trade Receivables-Credit impaired	-	-
Disputed - Considerd good	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-
Disputed Trade Receivables-Credit impaired	-	-
Total	11,940.60	5,322.28

Note 9(a) Cash & Cash Equivalents

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Cash in Hand	41.01	15.43
Balance with Banks in Current Accounts ^	485.17	27.57
Balance with Banks in fixed deposits	-	0.50
	526.17	43.50

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

Note 9(b) BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Balances with bank		
(i) Fixed Deposit (Maturity more than 3 months)	0.50	-
	0.50	-

Note 10 Short Term Loans and Advances

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Short - Term Loans and Advances:		
At Amortised Cost		
Unsecured , Considered Good		
Inter Corporate Loan to Related Parties	99.16	853.99
Inter Corporate Loan	25.69	-
	124.85	853.99

Note 11 Current Tax Assets (net)

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Advance Income Tax/TDS/TCS (net of provision)		
TDS Receivables& Advance tax	81.05	61.43
TOTAL	81.05	61.43

Note 12 Equity Share Capital

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Authorised Share Capital		
2,50,00,000 Shares (Previous year 2,50,00,000) of Rs. 10 each	2,500.00	-
	2,500.00	-
Issued, Subscribed & Paid-up Share Capital		
17257200 Shares (Previous year 1,64,32,200.) of Rs. 10 each	1,725.72	-
TOTAL	1,725.72	-

Terms/Rights attached to Equity Shares

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

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

PARTICULARS	As at 31st March 2025	As at 31st March 2024
Number of shares outstanding as at the beginning of the period	164.32	-
Add : Shares allotted	8.25	
Number of shares outstanding as at the end of the period	172.57	-

Share held in the company by each shareholder holding more than 5%
(%)

Name of Shareholders	As at 31st March 2025	As at 31st March 2024
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.40
C) Puja Malik	9.85	9.85

Details of Promoters holding end of the Year
(%)

Name of Shareholders	As at 31st March 2025	As at 31st March 2024
A) Sangeeta Pareekh	43.20	43.20
B) BLP Equity Research Private Ltd	23.40	23.40
C) Dinesh Pareekh	7.00	7.00

Note 13
Other Equity

PARTICULARS	As at 31st March 2025	As at 31st March 2024
I) Reserves & Surplus		
a. Retained Earnings		
Balance at the beginning of the period	545.39	390.48
Add: Profit/Loss for the period	389.29	154.91
Add: Gain/Loss due to suby disposal	26.07	-
Balance at the end of the period	960.75	545.39
TOTAL (I)	960.75	545.39
II) Other Comprehensive Income		
Balance at the beginning of the period	32.45	23.28
Add: Transfer during the year	-103.39	9.17
Balance at the end of the period	-70.94	32.45
TOTAL (II)	-70.94	32.45
III) Share Premium		
Balance at the beginning of the period		
Add: Transfer during the year	2821.50	
Balance at the end of the period		
TOTAL (III)	2821.50	0.00
TOTAL OTHER EQUITY (I+II+III)	3711.32	577.84

Nature & Purpose of Reserves:

Retained Earnings: Retained earnings represents surplus / accumulated earning of the company and are available for distribution to shareholders

Other Comprehensive Income: This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. and present value of Defined benefit obligation.

Note 14

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Long Term Borrowings		
Total (I)	-	-
Short Term Borrowings		
<u>Carried at Amortized Cost</u>		
<u>Secured Loans</u>		
<u>Cash Credit Limits From</u>		
ICICI Bank Limited	1,000.51	648.14
(Mortagage against Plot No. 56/33,Near Atlas Factory, Site-4 ,Ghaziabad,Sahibabad UP India 201010) and personal Gaurantee of Mr Sunil Kumar Malik & Mr. Pranav Wason.	-	-
HDFC Bank Limited		
(Exlusive Charge of Movable Fixed Assets and Fixed Deposit of Rs 1325 Lac)	1,762.86	-
<u>Working Capital Demand loan from</u>		
Tata Capital Limited	705.16	
(Personal Gaurantee of Mr Sunil Kumar Malik)		
<u>Sale Invoice Discounting Limit (Bill Discounting Limit)</u>		
S G Finserve Ltd.	2,015.46	662.89
Note:- (all the above facalities are furthre secured by first Pari Passu charge by way of HP of both present & future Current Assets among HFDC bank, ICICI Bank, Tata Capital Limited and S G Finserve Ltd.)		
Unsecured Loans		
<u>Related Parties</u>		
Loan From Director& Relatives	305.32	3.10
<u>Intercompany Loan</u>		
Share India Capital Pvt Ltd (ROI 12% p.a.)	-	243.14
BGP 11 ANALYTICS Pvt.Ltd.(ROI 9% p.a)	-	213.00
Anmol Financial Services Ltd (ROI 12%p.a.)	-	202.71
Devbhoomi Commercial Pvt Ltd.(ROI 9% p.a)	-	54.66
SVP Housing Limited (ROI 9% p.a)	361.08	335.91
Securocrop Securities India Private Limited (ROI 7% p.a)	-	957.94
BLP Equity Research Pvt. Ltd. (ROI 9%p.a.)	-	362.36
Kalyan Capitals Limited (ROI @12.5%p.a.)	-	24.31
Total (II)	6,150.38	3,708.19
Total (I+II)	6,150.38	3,708.19

The company has not defaulted in the repayment of Borrowings and interest thereon for the year ended of March 31, 2024

Note 15 Lease Liabilities

PARTICULARS		As at 31st March 2025	As at 31st March, 2024
Carried at Amortized Cost			
(a) Non-Current			
Lease Obligation		8.80	524.43
TOTAL (a)		8.80	524.43
Carried at Amortized Cost			
(a) Current			
Lease Obligation		2.10	19.08
TOTAL (b)		2.10	-
TOTAL [(a)+(b)]		10.90	543.51

Note 16 Trade Payables

PARTICULARS		As at 31st March 2025	As at 31st March, 2024
a) Non Current			
Total outstanding dues of micro, small and medium enterprises (A)		-	-
Total outstanding dues of creditor other than micro, small and medium enterprises (B)		-	-
TOTAL (a)		-	-
b) Current			
Total outstanding dues of micro, small and medium enterprises (A)		102.31	-
Total outstanding dues of creditor other than micro, small and medium enterprises (B)		3,495.92	1,676.40
		3,495.92	1,676.40
TOTAL [(a)+(b)]		3,495.92	1,676.40

Ageing Schedule - Current Trade payable

PARTICULARS		As at 31st March 2025	As at 31st March, 2024
i) MSME			
Less than 1 year		-	-
1-2 years		-	-
2-3 years		-	-
More than 3 years		-	-
ii) Others			
Less than 1 year		3,482.27	1,211.73
1-2 years		13.65	70.40
2-3 years		-	4.79
More than 3 years		-	-
iii).Disputed dues – MSME			
iv) Disputed dues - Others			
Total		3,495.92	1,286.93

Note 17
Provisions

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
<u>Non-Current</u>		
Provision for Employee Benefits		
Gratuity	14.75	9.82
TOTAL	14.75	9.82
<u>Current</u>		
Provision for Employee Benefits		
Gratuity	0.41	0.18
Other Provisions		
Provision for Current Tax	165.56	94.33
TOTAL	165.97	94.50

Note 18

Other Financial Liabilities

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Expenses Payable	17.43	15.25
Bonus Payable	2.77	
ESI & PF Payable	0.18	
Sitting Fees Payable	11.07	
Salary Payable	22.93	
	54.38	15.25

Note 19

Other Current Liabilities

PARTICULARS	As at 31st March 2025	As at 31st March, 2024
Advance Received from Customers	1.42	11.93
Duties & Taxes Payable	444.16	7.75
Other Current Liabilities	0.25	3.05
TOTAL	445.83	22.73

Note 20 Revenue from Operations**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Manufacturing Sale		
Sale of Recycled Products	10,143.20	233.68
		-
		-
Trading Sale		
Sale of Waste Material	43,385.74	29,185.67
Sale of Biomass Products	1,870.70	4,430.54
Sale of Bagasse	64.00	
Sale of Fabric	0.27	
Sale of Pet Washflakes	-	898.25
Sale of Pet Washflakes	27.08	
Jobwork		
Sale of Recycled Products	18.54	-
		-
TOTAL	55,509.54	34,748.14
	55,509.54	
	0.00	

Note 21 Other Income**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Interest on FDR	44.57	2.14
Rental Income	2.17	
Interest Income	30.83	41.19
Interest on Security Deposit	0.18	
Rebate & Discount	-	0.19
Creditors Written Off	10.00	24.00
Misc Income	0.01	
Short & Excess	0.00	0.00
Handling Charges	0.11	0.98
Duty Draw Back Income	1.21	0.90
Rodtep Incentive	0.79	0.46
TOTAL	89.87	69.86

Note 22 Purchase of Stock-in-Trade**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Pet Washflakes	35.02	858.40
Waste Material	42,161.63	28,166.94
Biomass Products	10,968.51	4,368.17
Recycable Products	563.25	72.43
Bagasse Products	61.21	-
Fabric Products	2.29	-
TOTAL	53,791.91	33,465.94

Note 23 Cost of Raw Material Conusmed**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Opening Stock of Raw Material	-	-
Fabric	71.51	36.19
Petwash Flakes	-	-
Add:-	-	-
Fabric	153.28	58.21
	224.80	94.40
Less:-		
Closing Sock	-	-
Fabric	8.00	71.51
TOTAL	216.80	22.89

Note 24 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Finished Goods	-	-
Finished Goods at the beginning of the year	-	-
Less: Finished Goods at the end of the year	-	-
Puma Products	-	-
	-	-
Sub - Total (A)	-	-
	-	-
Work-in-Progress at the End of the Year	-	-
Less: Work-in-Progress at the End of the Year	-	-
Sub - Total (B)	-	-
	-	-
Stock-in-Trade	-	-
Stock at the Beginning of the Year	24.85	25.33
Less: Stock at the End of the Year	- 137.27	11.54
Puma Products	-	-
Petwashflakes	-	13.31
Sub - Total (C)	- 112.42	0.48
	-	-
(Increase) / Decrease in Inventories (A+B+C)	- 112.42	0.48

Note 25 Other Manufacturing Expenses**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Freight & Cartage	15.26	175.83
Job Work Charges	54.30	46.62
Other Manufacturing Exp.	9.50	14.55
	79.07	237.00

Note 26 Employee Benefits Expense**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Directors Remuneration	34.80	28.95
Salaries & Wages	247.61	175.65
Gratuity	3.19	6.10
Bonus	6.57	4.25
Contribution to Provident Fund	1.03	1.17
Contribution Towards ESI	0.97	0.68
Administration Expenses on PF & ESI	0.08	0.08
Incentive to Staff	3.87	1.58
Staff Welfare Exp.	7.16	5.51
Leave Encashment	0.65	-
Overtime Expense	1.36	0.91
TOTAL	307.28	224.88

Note 27 Finance Cost**(Rs. in Lacs)**

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
Bank Charges	1.21	1.81
Bank Interest	103.54	-
Car Loan Interest	-	1.04
Interest on Lease Liab	10.09	9.57
Interest on Loan	293.52	266.29
Interest on Msme	0.70	-
Loan Processing Charges	15.07	14.67
Interest Paid	-	0.13
TOTAL	424.13	293.51

Note 28 Other Expenses

(Rs. in Lacs)

PARTICULARS	As at 31st March, 2025	As at 31st March, 2024
(B) ADMINISTRATIVE EXPENSES		
Annual Listing Fees	6.00	-
Annual Maintenance Charges	0.67	0.67
Bad Debt	0.24	19.35
Labour Expense	4.44	-
BSE Processing Fees	-	4.10
Business Promotion Exp.	18.77	5.34
Clearing & Forwarding Exp.	1.89	0.92
Commission	32.39	6.52
Conveyance Expenses	0.95	1.00
Cartage expense	0.03	-
Electricity & Generator Charges	29.18	30.31
Festival Exp.	3.13	7.25
Foreign Exchange Fluculation Exp.	0.31	0.55
Fuel Exp.	0.12	-
Insurance Exp.	5.58	3.23
Internet Exp.	1.28	-
Inauguration Expense	1.66	-
Loading & Unloading Expense	0.71	-
Late Fee GST	0.01	1.23
GST Expense	3.50	-
Legal & Professional Charges	1.14	1.22
Loss on Disposal of ROU & Lib.	-	3.91
Misc Exp.	1.63	1.27
Municipal Taxes	0.31	0.79
NSDL Charges	4.04	-
Office Exp.	3.47	3.32
Other Exp.	0.66	0.20
Penalties & Interest	0.63	0.40
Postage & Courier exp.	0.50	0.26
Printing & Stationery Exp.	4.32	2.71
Professional Charges	37.90	58.72
Director Sitting Fees	12.30	-
Rent Exp.	11.75	3.51
Vehicle Rent	4.40	-
Repair and Maintainence	5.96	4.17
ROC Fees	0.71	1.08
Round off	0.00	-
Security Expenses	1.66	0.98
Software Exp.	1.62	-
Subscriptionn charges	0.22	-
Interest on Tds & Income Tax Expense	5.22	0.08
Audit Fees	13.08	5.20
Telephone Exp.	1.15	1.24
Testing Exp.	0.13	0.18
Marine insurance Exp.	-	0.96
Tour & Travelling Exp.	15.79	19.59
Website Maintainance Charges	1.49	0.61
Debtors Written off	0.79	0.08
Statutory Expense	-	0.98
IT Division Expense	-	2.93
Freight & Carrier Expense	-	11.74
Preliminary Expense	15.55	10.68
Stamp Duty Exp	-	2.05
Transportation charges	-	0.90
Total(B)	257.27	220.22

RACE ECO CHAIN LIMITED**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025****Note 29 Remuneration to auditors (exclusive of taxes)**

(Rs. in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Payment To Auditors:		
Statutory Auditor:		
Statutory Audit & Limited Reviews	11.58	5.20
Internal Auditor Fees	1.50	-
Total	13.08	5.20

Note 30 Earnings per equity share

(Rs. in Lacs, except EPS)

Particulars	As at 31st March 2025	As at 31st March 2024
Net profit attributable to equity shareholders [A]	419.48	154.70
Weighted average number of equity shares issued (face value of Rs. 10 each) (Numbers in Lacs)	168.55	168.55
Total Weighted average number of equity shares [B] (face value of Rs. 10 each) (Numbers in Lacs)	168.55	168.55
Basic earnings per share [A/B] (in Rs.)	2.49	0.92
Net Profit attributable to equity shareholders [C]	419.48	154.70
Less : Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
Net profit attributable to equity shareholders for calculation of diluted EPS [C-D]	419.48	154.70
Weighted average of equity shares issued (face value of Rs 10 each) (Numbers in Lacs) [E]	171.04	168.55
Weighted number of additional equity shares outstanding for diluted EPS (Numbers in Lacs) [F]	-	-
Weighted number of equity shares outstanding for diluted EPS (Numbers in Lacs) [E+F]	171.04	168.55
Diluted earnings per share [C-D/E+F] (in Rs.)	2.45	0.92

Note 31 Foreign currency transactions**(i) Income in foreign currency (On accrual basis)**

(Rs. in Lacs)

Particulars	As at 31st March 2025	As at 31st March 2024
Export of Goods	59.58	37.28
Total	59.58	37.28

Note 32 Unhedged foreign currency exposure

a) Payables- Nil

b) Receivables

(Rs. in Lacs)

Particulars	Currency	As at 31st March 2025	As at 31st March 2024
		(Rs. in Lacs)	(Rs. in Lacs)
Nature Planet Aps	USD	0.59	-

Note 33 Employee benefits

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

Defined Benefit Plan – Gratuity

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

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

Interest Rate Risk	The plan exposes the Group to the risk of falling interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk	This is the risk that the Group may not be able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Demographic risk	The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have bearing on the plan's liability.
Regulatory Risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000 etc.).

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

(Rs. in Lacs)

Particulars	For the period ending	
	March 31, 2025	March 31, 2024
Change in benefit obligations		
Benefit obligations at the beginning	10.00	16.15
Current Service Cost	5.56	4.89
Past Service Cost	-	-
Interest on defined benefit obligation	0.72	1.22
Actuarial loss / (gain)	- 1.12	- 12.25
Benefit Paid	-	-
Closing Defined Benefit Obligation (A)	15.16	10.00
Translation/ Forex impact (B)	-	-
Payable gratuity benefit (A-B)	15.16	10.00
Current Provision (Refer note 17)	-	-
Non-Current Provision (Refer note 17)	15.16	10.00

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

Particulars	For the period ending	
	March 31, 2025	March 31, 2024
Current Service Cost	5.56	4.89
Past Service Cost		
Interest on net defined benefit obligations	0.72	1.22
Net Actuarial (Gain) / Loss recognised in the period		-
Total Included in "Employee Benefit Expense"	6.28	6.10

- (iii) Amount recognised in the Other Comprehensive Income

Particulars	For the period ending	
	March 31, 2025	March 31, 2024
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	0.71	0.33
- experience variance (i.e. Actual experience vs assumptions)	- 1.82	- 12.58
Components of defined benefit costs recognised in other comprehensive income	- 1.12	- 12.25

- (iv) Principle actuarial assumption

Assumptions	March 31, 2025	March 31, 2024
Discount Rate (per annum)	6.75%	7.20%
Salary escalation (per annum)	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

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

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

(v) Sensitivity Analysis

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

(Rs. in Lacs)				
Particulars			March 31st 2025	March 31st 2024
Defined Benefit Obligation (Base)			15.16	10.00
(Rs. in Lacs)				
Particulars	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	16.94	13.65	11.18	8.99
(% change compared to base due to sensitivity)	11.74%	-9.94%	11.80%	-10.10%
Salary Growth Rate (- / + 1%)	13.61	16.95	8.96	11.20
(% change compared to base due to sensitivity)	-10.18%	11.83%	-10.40%	12.00%
Attrition Rate (- / + 50% of attrition rates)	14.99	15.12	9.98	9.85
(% change compared to base due to sensitivity)	-1.14%	-0.27%	-0.20%	-1.50%
Mortality Rate (- / + 10% of mortality rates)	15.14	15.14	9.99	10.01
(% change compared to base due to sensitivity)	-0.09%	0.09%	-0.10%	0.10%

(vi) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	11 Years
Expected cash flows over the next (valued on undiscounted basis):	
1 year	0.41
2 to 5 Years	3.65
6 to 10 Years	8.23
More than 10 Years	25.10

Note 34**Related Party Transactions (as per INDAS 24)**

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

(i) Names of related parties and nature of relationship

Category of related parties	Name of Related Parties
Promoters & Key Management Personnel	Sunil Kumar Malik
	Anil Kumar Behl
	Prashant Khandelwal
	Gopal Agarwal
	Pranav Vasan
	Dinesh Pareekh
	Sangeeta Pareekh
	BLP Equity Research Pvt Ltd
	BGP -11 Analytics Pvt Ltd
	Sanjay Kukreja
	Lalit Malik
	Seema Malik
	Shiwati Gandhi
	Piyanshu Sharma
	THILAGAM TAMILARASAN
	THAMILARASAN
	NEELAM JAIN
	PUNEET BHAWAKER
	RAMA NAND GUPTA
	RAKESH KUMAR
	SHIV KUMAR PAREEK
	NAVEEN DHIMAN
	SUMAN KHANDELWAL
	BHUPESH SHARMA
	RAJ KUMAR MODANI
	SANJAY MODANI
	SANDHYA KHOLI
	SANJEEV SINGH
Relatives of Directors and Key Management Personnel	
Entities in which the Key Management Personnel and their relatives identified above having control/significant influence	1) Vista Furnishing Ltd.
	2) Securocrop Securities India Pvt Ltd
	3) Gem Enviro Management Pvt Ltd
	4) Kalyan Capitals Limited
	5) SVP Housing Limited.
	5) Gin Spin Pvt. Ltd.

(ii) **Transactions with Related Parties**

The Transactions have been summarized in the below table; and as the Group has voluminous transactions during the period, thus, details have been provided in table (iii) for transactions having value more than Rs. 1 Lac only (Material Transactions).
The following transactions were carried out with related parties in the ordinary course of business:

(Rs. in Lacs)

Nature of Transaction	2024-25		2023-24	
	Transaction	Balance	Transaction	Balance
<u>Key Management Personnel</u>				
<u>Remuneration & Incentives</u>				
(a) Mr. Sunil Kumar Malik	24.00		24.00	
(b) Mr. Anshu Agarwal	0.00		3.90	
(c) Mr. Ramanand Gupta	0.00		4.95	
(d) Ms. Shiwati	7.29		6.73	
(e) Piyanshu Sharma	5.00		3.26	
<u>Loan Taken</u>				
Mr. Sunil Kumar Malik	0.00	0.00	7.38	3.10
Mr. Dinesh Pareekh	0.00	0.00	400.00	200.00
Mr. THILAGAM TAMILARASAN	66.00	67.08		
Mr. THAMILARASAN	124.00	127.25		
Mr. Dhanam	46.00	47.21		
<u>Loan Repaid</u>				
Mr. Sunil Kumar Malik	3.10	0.00	18.51	3.10
Mr. Dinesh Pareekh	0.00	0.00	225.00	0.00
<u>Intercompany Loan Taken</u>				
Securocrop Securities India Private Limited	0.00	0.00	200.00	853.00
BLP Equity Research Pvt Ltd	0.00	0.00	0.00	325.00
BGP 11 ANALYTICS PVT LTD	0.00	0.00	400.00	200.00
SVP Housing Limited.	0.00	300.00	0.00	300.00
<u>Intercompany Loan Repaid</u>				
BLP Equity Research Pvt Ltd	325.00	0.00	0.00	325.00
BGP 11 ANALYTICS PVT LTD	200.00	0.00	200.00	0.00
Securocrop Securities India Private Limited	853.00	0.00		
<u>Interest paid on Intercompany Loan</u>				
BLP Equity Research Pvt Ltd	14.79	0.00	27.22	37.36
Securocrop Securities India Private Limited	30.98	0.00	55.52	104.94
BGP 11 ANALYTICS PVT LTD	8.83	0.00	13.00	13.00
THILAGAM TAMILARASAN	1.08	0.00	0.00	0.00
THAMILARASAN	3.25	0.00	0.00	0.00
Dhanam	1.21	0.00	0.00	0.00
SVP Housing Limited.	30.76	61.08	30.84	35.91
<u>Loan Given</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	75.00	0.00
Kalyan Capitals Limited	243.00	75.00	1292.55	807.62
<u>Loan Received Back</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	264.00	0.00
Kalyan Capitals Limited	975.62	75.00	592.78	807.62
<u>Interest received</u>				
Vista Furnishing Pvt Ltd	0.00	0.00	3.22	0.00
Kalyan Capitals Limited	55.28	24.41	27.44	22.60
<u>Purchase Made</u>				
Vista Furnishing Pvt Ltd	744.17	39.53	2.27	
Gem Enviro Management Private Limited	6.00	0.83	0.00	0.00
<u>Sale Made</u>				
Vista Furnishing Pvt Ltd	160.77	146.13	6.42	0.00
Gin Spin Pvt. Ltd.	89.31	89.31	0.00	0.00
Kalyan Capitals Limited	0.00	0.00	0.39	0.00
Briquettes Vista Furnishing Pvt. Ltd.	0.00	0.00	9.65	0.00

Note 35**Income Taxes**

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

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

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

a.) Income Tax Expense recognised in Statement of Profit and loss for the period:**(Rs. In Lacs)**

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Current Tax:		
- Relating to Current year	165.43	91.23
- Relating to Preceding year	- 7.64	-
Deferred Tax:		
- Relating to Current year	- 22.69	26.97
Total	135.10	118.20

b.) Income tax expense/(benefit) recognised directly in other comprehensive income for the period:**(Rs. In Lacs)**

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Income tax expense/(benefit) recognised in other comprehensive income		
- Relating to Tax effect on actuarial (gain)/ loss on defined benefit obligations	1.12	12.25
- Related to Tax effect on net gain/(loss) on fair value of current investment	-139.28	-
Total	-138.16	12.25

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

(Rs. In Lacs)

Particulars	For the period ended	
	31st March, 2025	31st March, 2024
Accounting Profit/(loss) Before Tax	548.40	272.90
Enacted tax rate	0.25	0.25
Computed tax expense	138.02	68.68
Tax effect of:		
Non-deductible expenses for tax purpose	41.45	25.97
Deductible expenses for tax purpose	- 14.04	- 11.06
Deductions on income	-	-
Income taxed at lower rate	-	-
Income tax/(benefit) relating to previous years	-	-
Deferred tax liability/(asset) charged during the year	-	-
Total Tax expense charged	165.43	83.59
Effective tax rate	30.17%	30.63%

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

(Rs. In Lacs)

Deferred tax assets/(liabilities)	in OCI	in Profit & Loss	Total
Balance as at 1st April, 2023	0.00	-32.03	-32.03
Expense allowed in the year of payment (Gratuity)	3.08	0.00	3.08
Difference between book and tax depreciation	0.00	26.97	26.97
Differences as per ICDS	0.00	0.00	0.00
Other	0.00	0.00	0.00
Balance as at 31st March, 2024	3.08	-5.06	-1.98
Expense allowed in the year of payment (Gratuity)	-0.28	0.00	-0.28
Expense allowed in the year of payment (Investment)	35.05	0.00	35.05
Difference between book and tax depreciation	0.00	20.59	20.59
Asset on Lease and Lease Liability	0.00	0.00	0.00
Differences as per ICDS	0.00	0.00	0.00
Other	0.00	0.00	0.00
Adjustment due to prior period items	0.00	0.00	0.00
Balance as at 31st March, 2025	37.85	15.53	53.38

Note 36**Fair value measurement****Fair value hierarchy:**

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

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value measurement**(i). Accounting classification and fair values**

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy as at 31st March, 2025:

Particulars	Carrying amount			Total	Fair Value			(Rs. in Lakhs)
	FVPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	Total
Financial assets:								
(a) Cash and Cash equivalents	-	-	526.17	526.17	-	-	-	-
(b) Bank Balance other than (a) above	-	-	0.50	0.50	-	-	-	-
(c) Derivative financial instruments	-	-	-	-	-	-	-	-
(d) Securities for trade	-	-	-	-	-	-	-	-
(e) Receivables	-	-	-	-	-	-	-	-
(I) Trade Receivables	-	-	11,940.60	11,940.60	-	-	-	-
(II) Other Receivable	-	-	-	-	-	-	-	-
(f) Loans	-	-	124.85	124.85	-	-	-	-
(g) Investments	-	861.52	571.85	1,433.38	861.52	-	-	861.52
(h) Other Financial assets	-	-	1,424.34	1,424.34	-	-	-	-
Total financial assets	-	861.52	14,588.32	15,449.84	861.52	-	-	861.52
Financial liabilities:								
(a) Derivative financial instruments	-	-	-	-	-	-	-	-
(b) Payables	-	-	-	-	-	-	-	-
(I) Trade Payables	-	-	3,598.23	3,598.23	-	-	-	-
(II) Other Payables	-	-	-	-	-	-	-	-
(c) Debt Securities	-	-	-	-	-	-	-	-
(d) Borrowings (Other than Debt Securities)	-	-	6,150.38	6,150.38	-	-	-	-
(e) Lease Liabilities	-	-	10.90	10.90	-	-	-	-
(f) Other financial liabilities	-	-	54.38	54.38	-	-	-	-
Total financial liabilities	-	-	9,813.90	9,813.90	-	-	-	-

(ii). Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other receivables. These are financial assets whose carrying amounts approximate fair value largely due to their short term nature.

Additionally, financial liabilities such as trade payables, borrowings and Lease liabilities are not measured at fair value, whose carrying amounts approximate fair value largely due to the nature of these liabilities.

Note 37

Financial risk management

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

A. Market Risk

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

(i) Foreign currency risk

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

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

(ii) Interest rate risk

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

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

(iii) Market price risks

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

B. Liquidity risk

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

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

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

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

(Rs. in Lacs)				
Particulars	On Demand / less than 3 months	Payable within 3 to 12 months	Payable more than 1 year and less than 5 year	Payable more than 5 year
Year ended 31st March 2025				
Payables				
(I) Trade payables		3,482.27	13.65	-
(II) Other payables		445.83	-	-
Borrowings (Other than debt securities)		6,150.38	-	-
Year ended 31st March 2024				
Payables				
(I) Trade payables	389.47	1,074.85	-	-
(II) Other payables		37.98	-	-
Borrowings (Other than debt securities)		2,750.25	-	957.94

C. Credit risk

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

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

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

NOTE : 38**Contingent liabilities (to the extent not provided for)****(Rs. in Lacs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
(i) Guarantees given	Nil	Nil
(ii) Demand in respect of income tax matters (Refer Note a below)	18.85	Nil

(a) Demand in respect of income tax matters # :-

(i) The Group has outstanding demand of Rs. 14.44 lacs related to Assessment Year 2024-25 ,Rs. 0.91 lacs is related to Assessment Year 2021-22, Rs.0.49 lacs is related to Assessment Year 2010-11 and Rs.2.99 lacs is related to Assessment Year 2009-10 in respect of Income Tax matters.

The Group is contesting these demands and the management believe that its position will likely to be upheld in the appellate process/rectifications etc. and accordingly no provision has been accrued in the financial statements for these tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

Based on favourable decisions in similar cases, the Group does not expect any liability against these matters in accordance with principles of Ind AS -12 'Income taxes' read with Ind AS -37; Provisions, Contingent Liabilities and Contingent Assets' and hence no provision has been considered in the books of accounts for such instances.

The above amounts doesn't contain interest and penalty where included in the order issued by the department to the Group.

NOTE : 39**Commitments**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Estimated amount of contracts remaining to be executed on capital account.	1828.97	Nil

NOTE : 40**Title deeds of immovable property not held in the name of the Group.**

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

NOTE : 41**Details of Loan & Advances in the nature of loan granted to Promoters, Directors, Key Management Personnel & the related parties (as defined under Group Act 2013)**

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

The Group has not granted loans or advances in the nature of loans to the director, promoters, Key managerial personnel and their relatives.

NOTE : 42

Ratio analysis

S. No.	Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reasons of Variance
1	Current Ratio	Current Assets	Current Liabilities	1.35	1.27	6.59%	
2	Debt Equity ratio	Total Debt	Shareholders Equity	0.86	2.26	-61.98%	During the Year there is an infusion of Share capital exceeding the increase in borrowing resulting in reduced ratio.
3	Debt Service Coverage ratio	Earnings Available for Debt Service (Net profit before Taxes+ Non Cash operating Expenses Depreciation and Auxillary+ Interest+ other Adjustments <i>like loss on sale of Fixed Assets etc</i>)	Debt Service (Interest+Lease Payments +Principal Repayments)	2.48	2.20	12.68%	
4	Return on Equity	Net Profit after tax- Preferred Dividend (If Any)	Equity	5.86%	9.00%	-15.86%	
5	Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	NA	NA	NA	
6	Trade Receivable Turnover Ratio	Net Credit Sale	Average Accounts receivable	1.59	1.89	-15.85%	
7	Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payable	16.38	6.61	147.81%	The ratio increased due to renegotiated credit terms with suppliers.
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	15.07	25.26	-40.36%	During the year the working capital increased due to increase in short term funds resulting in reduced ratio.
9	Net Profit ratio	Net Profit	Net Sales	0.76	0.45	69.74%	Net sales has increased resulting in higher ratio.
10	Return on Capital Employed	Earning before Interest & Taxes	Capital Employed (Tangible Net Worth+ Total Debt+DTL)	12.42	12.36	45.00%	During the year the capital employed increased due to infusion of share capital resulting in reduced ratio.
11	Return on investment	Net Return on Investment	Cost of Investment	0.63	- 2.11	-129.85%	During the year Acquisition of Subsidiaries

NOTE : 43 Capital work in progress ageing & overdue or has exceeded to its original plan
The Capital Work in Progress-Building is going to be completed with in scheduled time next year as per below ageing

CWIP	Amount in CWIP for a period of
	Less than 1 year (Rs. In Lakhs)
1-PROJECTS IN PROGRESS	
(i)Construction at Chennai GI	19.40
(ii)Construction at Erode	3.31
(iii)Construction at Madipakkam (VLCY)	8.89
(iv)Construction at Theni	6.41
(v)Construction at Tirunelveli (TEN)	9.12
(vi)Construction at Tiruppur (TUP)	1.19
(vii)Construction at Head Office	2.84
(viii)Construction at khasra No. 768, Ranchi , Jharkhand, 835217	0.74
2-PROJECTS TEMPORARILY SUSPENDED	
Total	51.89

NOTE : 44 Intangible assets under development
Group does not have any intangible assets under development.

NOTE : 45 Details of Benami Property held
No proceedings have been initiated or pending against the Group for holding any benami property under the benami transactions (Prohibition) Act, 1988 and the rules made thereunder.

NOTE : 46 Wilful defaulter
The Group has not made any default in the repayment of any borrowing, as such the declaration as wilful defaulter is not applicable.

NOTE : 47 Relationship with stuck of the Group
The Group did not have any transaction with companies struck off under section 248 of the companies act 2013 or section 560 of the companies act, 1956 as such no declaration is required to be furnished.

NOTE : 48 Registration of Charge/Satisfaction
There is no charge or satisfaction of charges which is pending for registration beyond the statutory period.

NOTE : 49 Compliance with number of layer of completion
The Group have two layers subsidiary Group as such there is no non compliance with the number of layers prescribed under clause (87) section 2 of the Act read with companies (Restriction on number of layers) Rules, 2017.

NOTE : 50 Compliance with approved scheme (s) of arrangements
No scheme of arrangements was required u/s 230 to 237 of the companies Act, 2013 during the year, as such disclosure is not required.

NOTE : 51 Utilisation of borrowed fund & Share Premium
a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entities including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;
b) The Group has not received any fund from any person or entities including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;

NOTE : 52 Undisclosed Income
The Group has neither surrendered nor disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

NOTE : 53 Corporate Social Responsibility (CSR)
Not Applicable

NOTE : 54 Cryptocurrency or Virtual Currency
The Group has neither traded nor invested in cryptocurrency or virtual currency as such no disclosure is required.

NOTE : 55 DISCLOSURE REQUIREMENTS UNDER MSMED ACT, 2006

The Group has no dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').
The disclosures pursuant to the said MSMED Act are as follows:

(Rs. In Lakhs)	
PARTICULARS	31.03.2025
- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	39.17
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.70
- Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the	
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	
- Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the	
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	
- Further interest remaining due and payable for earlier years	-

NOTE : 56 Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

NOTE : 57 Non-Controlling Interest**i) (a). Proportion of equity interest held by non-controlling interests:**

Name	Country of Incorporation	% of Equity Interest held by Non-controlling Interest	
		As on	As on
		March 31, 2025	March 31, 2024
Abhay Innovative Recycling Limited	India	100.00%	0.66%
India Polymer Private Limited	India	35.00%	35.00%
Silverline Eco thrive limited	India	49.00%	NIL
Ganesha Recycling chain private limited	India	49.00%	NIL
Vasundhara Envirogreen Private Limited	India	5.00%	NIL

i) (b). Information regarding Non-controlling Interest

As on March 31, 2025

(Rs. in lacs)

Particulars	Abhay Innovative Recycling Limited	India Polymer Private Limited	Silverline Eco Thrive Private Limited	Ganesha Recycling Chain Private Limited	Vasundhara Envirogreen Private Limited	Total
Non-controlling Interest at the beginning of the year	2.51	0.15	-	-	-	2.66
Share of Non-controlling Interest in Net Assets on Acquisition date *	-	-	306.25	293.99	4.94	605.18
Share in Total Comprehensive Income for post acquisition year	(0.18)	(0.47)	35.21	(4.49)	0.09	30.16
Disinvestment in Subsidiary	(2.33)		-			(2.33)
Other Adjustments (prior year adjustments)						-
Non-controlling interest at the end of year	-	(0.32)	341.46	289.50	5.03	635.67

NOTE : 58

Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure. Previous year's figures are not comparable since the subsidiary companies were incorporated during the year.

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

FOR RACE ECO CHAIN LIMITED

Sd/-
RAMAN KUMAR GARG
(PARTNER)
M.NO.090564
PLACE : DELHI
DATED :

Sd/-
PRANAV VASON
NON EXECUTIVE DIRECTOR
DIN 07631095

Sd/-
SUNIL KUMAR MALIK
MANAGING DIRECTOR
DIN 00143453

Sd/-
PIYANSHU SHARMA
CFO

Sd/-
SHIWATI
COMPANY SECRETARY

NOTE:59 Segment Disclosures

Operating segments are defined as components of an enterprise for which discrete financial information so available that is evaluated regularly by Chief Operating decision -maker (CODM), in deciding how to allocate resources and assessing performance.

The Company has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

SEGMENT	ACTIVITIES
Misc. Old Economy Products	Sale of Fabric and Other Textile Products
Recycle Division	All types Waste Plastic, Pipes & Paper
Restore Division	Home furnishing, Madeup, Bags & Garments
Biomass Division	Sale of BRIQUETTES
IT Division	Development of IT enabled applications for business growth
Unallocated	Not allocable to any other segments

in Lacs

1 Segment Revenue	Year ended March 31, 2025			Year ended March 31, 2024		
	External	Internal Segments	Total	External	Internal Segments	Total
Recycle Division	52,745.02		52,745.02	30,083.91		30,083.91
Restore Division	893.81		893.81	233.68		233.68
Biomass Division	1,870.70		1,870.70	4,430.54		4,430.54
Unallocated				-		-
Total	55,509.53	-	55,509.53	34,748.13	-	34,748.13
Eliminations						
Revenue from Operations	55,509.53	-	55,509.53	34,748.13	-	34,748.13
2 Segment Results(PBT)	Year ended March 31, 2025			Year ended March 31, 2024		
Recycle Division			893.80			589.44
Restore Division			25.47			(6.09)
Biomass Division			21.09			57.65
Unallocated			32.17			(74.60)
Total			972.53			566.40
Eliminations			-			-
Consolidated Total			972.53			566.40
Unallocated (expense) net unallocated income						
Profit before Interest and Taxation			972.53			566.40
Finance Costs			424.12			293.51
Profit Before Tax			548.41			272.89
Share of Profit and (Loss) in associates			6.18			
Tax Expense			135.10			118.20
Profit After Tax from Continuing Operations			419.49			154.68
OCI Profit /(Loss)			(103.39)			9.17
Profit for the period after Tax			316.10			163.86

3 Other Informations

` in Lacs

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
Segment Assets				
Recycle Division		15,940.98		6,041.63
Restore Division		489.02		241.89
Biomass Division		151.73		463.55
Unallocated		1,651.85		1,549.03
less : Intersegment Eliminations		-		-
		18,233.58		8,296.10
Add:Unallocable Assets		-		-
Total Assets	(A)	18,233.58		8,296.10
Segment Liabilities				
Recycle Division		9,686.57		2,826.55
Restore Division		62.24		21.00
Biomass Division		93.29		62.37
Unallocated		598.36		3,162.46
less : Intersegment Eliminations		-		-
Add: Unallocable Liabilities		-		-
Total Liabilities	(B)	10,440.46		6,072.38
Net Capital Employed	(A-B)	7,793.12		2,223.72

` in Lacs

Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization
Recycle Division			8.40			35.00
Restore Division			33.81			44.72
Biomass Division			2.13			0.11
Unallocated						0.34
Segment Total	-	-	44.34	-	-	80.17

Glossary of Terms

Companies and Entities

Abhay Innovative Recycling Limited: A former subsidiary of RACE Eco Chain.

CARE Advisory Research and Training Limited: The organization that conducted the ESG assessment for RACE Eco Chain Ltd., resulting in a score of 58 out of 100.

Central Pollution Control Board (CPCB): The body that certified RACE Eco Chain Ltd. as a Professional Waste Management Service Provider.

Ganesha Ecosphere Ltd.: India's largest PET waste recycler, with whom RACE Eco Chain has formed a strategic alliance.

RACE Eco Chain Ltd.: A company focused on organizing the unorganized waste supply chain and transitioning India to a circular economy. "RACE" stands for Recycling and Circular Economy.

Rudra Ecovation: A sustainable textile manufacturer with whom RACE Eco Chain made a strategic investment to secure a long-term supply of waste PET bottles.

SEBI (Securities and Exchange Board of India): The regulatory body whose Business Responsibility and Sustainability Reporting (BRSR) framework RACE Eco Chain has voluntarily adopted.

Acronyms and Abbreviations

AGM: Annual General Meeting.

BRSR (Business Responsibility and Sustainability Reporting): A framework from SEBI that requires companies to report on their sustainability and ethical practices. RACE Eco Chain has published its inaugural BRSR for FY23.

E2E (End-to-End) Traceability: The company's commitment to tracking the origin and destination of recyclable materials throughout the supply chain.

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.

EPR (Extended Producer Responsibility): Government mandates that obligate producers and brand owners to meet recycling targets.

ESG (Environmental, Social, and Governance): The set of standards for a company's operations that investors use to screen potential investments. RACE Eco Chain has a strong focus on ESG compliance.

FSSAI (Food Safety and Standards Authority of India): The regulatory body that gave approval for the use of recycled plastics as food contact materials.

FY: Fiscal Year.

IPO: Initial Public Offering. RACE Eco Chain raised Rs. 26.68 Crores from its IPO in FY23.

NSE (National Stock Exchange): One of India's main stock exchanges. RACE Eco Chain migrated from the SME platform to the main board of the NSE in FY24.

PAT: Profit After Tax.

PET (Polyethylene Terephthalate): A common type of plastic used in bottles and other packaging. A core focus of RACE Eco Chain's recycling efforts.

SMETA (Sedex Members Ethical Trade Audit): An audit methodology that RACE Eco Chain has attained, demonstrating its dedication to ethical trade practices.

YoY (Year-on-Year): A comparison of a data point from one year to the same period in the previous year.

General Terms

Circular Economy: A system aimed at eliminating waste and the continual use of resources. This is a foundational mission for RACE Eco Chain.

Demerger: A corporate strategy proposed by the Board to split the company's business segments into three separate, more focused entities.

Forward Integration: A business strategy where a company gains control over its supply chain, such as RACE Eco Chain acquiring India Polymers to produce washed PET flakes.

IPCC (Internal Financial Controls): A system within a company to ensure the orderly and efficient conduct of its business, including safeguarding assets and ensuring the accuracy of financial records.

Stakeholders: Individuals or groups with an interest in the company's performance, including investors, customers, employees, and the community. RACE Eco Chain aims to create value for all stakeholders.

Value Chain: The entire process of producing and distributing a product, from sourcing raw materials to delivering the final product to the consumer. RACE Eco Chain's strategy focuses on transforming its entire value chain to be ESG-compliant.



 Registered Office: Location: Shop No. 37, Shanker Market,
New Delhi, Central Delhi-110001

 contactus@raceecochain.com  +91 9821 002 515

 www.raceecochain.com