

ECOBOARD®

ECOBOARD INDUSTRIES LIMITED

27TH ANNUAL REPORT 2017-18

REGISTERED OFFICE: 65/1A, "Ecohouse," Akarshak Building, Opp. Nal Stop, Karve Road, Pune – 411 004
Tel. (020) 41080800

BOARD OF DIRECTORS

Mr. V.S. Raju, Chairman
Mr. G.R.K. Raju, Managing Director
Mr. Praveen Kumar Raju Gottumukkala, Director
Mr. U. S. Kadam, Independent Director
Mrs. Sujani Venkata Indukuri, Director
Mr. Siva Sankar Kalive, Independent Director
Mr. P. V. V. Rama Raju, Independent Director
Mr. Satya Narayan Banka

COMPANY SECRETARY

Mrs. Sonika Kulhare

AUDITORS

M/S B.M. Chaturvedi & Co., Mumbai

REGISTERED OFFICE

65/1A, "Ecohouse," Akarshak building,
Opp. Nal Stop, Karve Road, Pune 411004
Tel (020) 25432345
E-mail cs.ecoboard@gmail.com
Website : www.ecoboard.in

REGISTRAR & TRANSFER AGENTS

M/s. Link Intime India Private Limited
202-A, 2nd Floor, "Akshay Complex"
Off Dhole Patil Road, Pune – 411 001
Tel (020) 2616 0084
E-mail : pune@linktime.co.in

BANKERS

Bank of Maharashtra
Andhra Bank
State Bank of India

Green Energy Division

65/1A, "Ecohouse," Akarshak Building,
Opp. Nal Stop, Karve Road, Pune-411004
Tel. (020) 25432345

Green Panels Division (Ecoboard)

Village Velapur, Taluka Malshiras,
Dist. Solapur, Maharashtra
Tel. (02185)245261/62

BRANCHES

West Zone: Mumbai, Ahmedabad, Pune

South Zone: Hyderabad, Vijayawada, Bangalore, Bhubaneshwar

North Zone: Delhi, Bhopal

Note : All correspondence shall be made to Registered office Address

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“ GO GREEN” INITIATIVE BY THE COMPANY

As a step towards “ Green Initiative” in the Corporate Governance, Ministry of Corporate affairs has by allowing paperless compliances by the Companies and has issued Circulars stating that service of notice / documents including Annual Report can be sent by e- mail to its members. To support this green initiative of the Government , Members are requested to register their email addresses with Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd. at the Address:- .

M/s Link Intime India Pvt. Limited Pune

Block No. 202, 2nd Floor Akshay complex, Off Dhole Patil Raod, Pune- 411001

Tel: 202-26100684 • Tele Fax : 020- 2616503

Email: pune@linkintime.co.in

Also Report any change in the email ID that you have already registered with us.

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting (AGM) of the Members of 'Ecoboard Industries Limited' will be held on Friday, September 28, 2018 at 11.00 a.m. (IST) at Conference Hall, The President Hotel, 34/11, Erandwane, Prabhat Road, Pune – 411 004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements, of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors ('the Board') and the Auditors thereon.
2. To appoint a director in place of Mr.P.V V. Rama Raju (DIN: 07464714) & Mr V.S Raju (DIN: 00842835) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible offers himself for re-appointment.
3. To rectify the appointment of M/s B.M. Chaturvedi & Co. as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

Therefore, shareholders are requested to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby appoint M/s B.M. Chaturvedi & Co., Chartered Accountants, (Firm Registration No. 114317W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2019."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary e-forms with ROC and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

SPECIAL BUSINESS:

4. Adoption of Memorandum of Association as per Companies Act 2013 .

Therefore, shareholders are requested to consider and, if thought fit, to pass the following resolution as a special resolution

"RESOLVED THAT pursuant to the provisions of section 4 and section 13 of the Companies Act, 2013, and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, approval of the members be and is hereby accorded to amend the Memorandum of association of the Company according to the provisions of the with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. G.R.K Raju Managing Director , Mr. G.P.K Raju , Executive Director and Mrs. Shruti Gupta , Company Secretary of the Company be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, including delegate such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution.

RESOLVED FURTHER THAT THAT Mr. G.R.K Raju Managing Director , Mr. G.P.K Raju Executive Director and Mrs. Shruti Gupta , Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies, New, in connection with the amendment of Memorandum of Association of the Company, as approved by the Board and the members of the Company and/ or generally to give effect to the foregoing resolutions.

RESOLVED FURTHER THAT Mr. G.R.K Raju Managing Director , Mr. G.P.K Raju , Executive Director and Mrs. Shruti Gupta , Company Secretary of the Company, be and are hereby severally authorised to issue/ provide certified true copies of these resolutions."

6. Adoption of Articles of the Company as per Companies Act 2013

Therefore, shareholders are requested to consider and, if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of section 5 and 14 of Companies Act, 2013 (‘the Act’), Schedule I made there under, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of Table F under the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure

any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT Mr. G.R.K Raju Managing Director , Mr. G.P.K Raju , Executive Director and Mrs. Shruti Gupta , Company Secretary be and are hereby singly & severally authorized to do all such acts, deeds and things as may be required to give effect to the above resolution(s).”

***By Order of the Board of Directors,
For Ecoboard Industries Limited***

DIN: 00842835
Date: 14.08.2018

Sd/-
V. S. Raju.
Chairman
Place: Pune

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of total share capital of the Company.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the Meeting (on or before) September 26, 2018, 11 a.m. (IST), A proxy form is enclosed to the report.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and Share Transfer Register will remain closed from Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
9. With a view to using natural resources responsibly, we request shareholders to update their Depository Participants to enable the Company to send communication electronically.
10. In compliance with section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administrative) Rules 2014, as substituted by the Companies (Management and Administration) Amendment, Rules, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.
11. The Annual Report 2017-2018, the Notice of 27th AGM and instruction for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all members whose e-mail addresses are registered with the Company / Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
12. Members may also note that the Notice of the 27th AGM and the EcoBoard Industries Limited Annual Report 2017-18 will be available on the Company's website, www.ecoboard.in. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours and working days. Members who require communication in physical form in addition to e-communication, or have any other queries any, write to us at: cs.ecoboard@gmail.com.
13. Additional information, pursuant to Regulation

36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment and re-appointment at the AGM, is furnished as annexure to the Notice. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules there under.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
15. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
16. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. While attending the meeting the members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
17. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
18. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
19. Members are requested to address all correspondence, to the Registrar and Share Transfer Agents M/s Link Intime India Private Limited, 202-A, 2nd Floor, "Akshay Complex" off Dhole Patil Road, Pune – 411 001.

The Company is pleased to provide members such e-voting facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

Process for e-voting:

The Company has signed an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Shareholders to cast their vote electronically. Each voter may follow the following steps while e-voting:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2018 at 9 a.m. (IST) and ends on 27th September, 2018 at 5 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Saturday, September 22, 2018 i.e. cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID.
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in de-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in De-mat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the de-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN for the relevant Ecoboard

Industries Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

(xix) Note for Non – Individual Shareholders and Custodians

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

- A scanned copy of the Registration Form bearing the stamp and sign of the entity

should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

***By Order of the Board of Directors
For Ecoboard Industries Limited***

Place: Pune
Date: 14.08.2018

Sd/-
V. S. Raju.
Chairman
DIN: 00842835

Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 and 5 of the accompanying Notice:

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

Item No. 4

Upon enactment of the Companies Act, 2013, the Memorandum of Association of the Company were required to be re-aligned as per the provisions of the new Act. The Directors of the Company suggested (subject to the approval of members) the amendment in the Memorandum of Association of the Company

The draft of the amended Memorandum of Association proposed for approval, are circulated along with this notice of the Extraordinary General Meeting and also available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and copies thereof shall also be made available for inspection at the Corporate Office of the Company and also at the place of the meeting on the meeting day. In terms of Section 4 and 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for proposed amendments in the Memorandum of Association of the Company. Your Directors commend passing of this resolution by way of a special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no.4

Item No. 5

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act. The Board of Directors in its meeting held on 14th August , 2018 decided (subject to the approval of members) to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

The draft of the new set of Articles proposed for approval is being circulated along with this notice of the Annual General Meeting and also available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and copies thereof shall also be made available for inspection at the Corporate Office of the Company and also at the place of the meeting on the meeting day. In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

Your Directors commend passing of this resolution by way of a special resolution. None of the directors, KMPs, or their relatives are interested or concerned, financially or

***By Order of the Board of Directors
For Ecoboard Industries Limited***

Place: Pune
Date: 14.08.2018

V.S.Raju
Chairman
DIN: 00842835

BOARD'S REPORT

To,
The Members of
Ecoboard Industries Limited

The directors submit annual report of Ecoboard Industries Limited (the "Company") along with the audited financial statements for the financial year (FY) ended March 31, 2017. Consolidated performance of the Company has been referred to wherever required.

Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise, and thus certain information which is required in directors' report is clubbed elsewhere and has to be read as a part of boards' report.

1. FINANCIAL SUMMARY / HIGHLIGHTS

(Amounts in Lakhs)

Particulars	Current Year 2017-18	Previous Year 2016-17
Profit/ Loss before interest, depreciation, exceptional items and tax	(628.37)	(694.05)
Less: Interest	636.27	379.76
Less: Depreciation	122.68	116.08
	<hr/>	<hr/>
Profit/(Loss) for the year from ordinary activities	(1387.32)	(1189.89)
Add: Exceptional income	11.29	(278.18)
	<hr/>	<hr/>
Profit/(loss)before Tax	(1376.32)	(1468.07)
Less: Provision for tax	0	0
	<hr/>	<hr/>
Profit/(Loss) for the period from continuing operation	(1376.32)	(1468.07)
Profit/(Loss) for the period from discontinuing operation		
Tax expenses of discontinuing operation	(0)	(21.75)
	<hr/>	<hr/>
Profit/(Loss) for the period From discontinuing operation	(0)	(0)
	<hr/>	<hr/>
Profit/(loss) for the period	(1376.32)	(1489.82)
Balance brought forward		
Surplus for the year	(1376.32)	(1,489.82)
Balance carried to Balance Sheet	(1376.32)	(1,489.82)

Financial Performance

During the year 2018-18 your company has made turnover of Rs 901.74 Lakhs as compared to turnover of the previous financial year of Rs. 1675.04 Lakhs, whereas Loss for the year is Rs.773.3 /- Lakhs as against Rs. 996.21/- Lakhs in the previous financial year. Boards of Directors are aware that this is a short time distress and are very confident that the business of the Company will flourish in financial year 2018-19.

Year	Sales performance (Rs. Lacs)	PBT (Rs. Lacs)	PAT (Rs. Lacs)	EPS (Rs. Lacs)
2014	2807.82	(810.75)	(898.13)	(5.04)
2015	1693.28	(673.20)	(698.81)	(3.92)
2016	2,205.48	(1,468.07)	(1,489.82)	(8.35)
2017	1633.84	(975.13)	(996.21)	(5.59)
2018	883.21	(1387.32)	(1376.32)	(7.72)

Company faced challenges rising from external factors. In this stressful situation the Company has taken steps in both Green Panel and Green Energy divisions. In Green Panel division the Company has continued to upgraded the existing machineries with indigenous innovations to reduce the consumption of raw material by 25%. The “Green Energy” division has also participating in tenders with several new industries like, dairy, pharmaceutical etc. and is successfull in receiving the orders.

The implementation of GST of 12 % has reduced the Ecoboard price deferential with it’s unorganized players and increased market share of Ecoboard.

Government of India under “Swachh Bharat” scheme has implemented 5% GST on biogas projects. Thereby “Biogas” Green energy division will have better prospects moving forward. Recently, it has implanted started turnkey projects for Gokul dairy, Dnyaneshwar SSK & Siddhi Sugar & Allied Industries.

Management sincerely feels that, this will not only help the company to cover up the losses but also to gain profit in near future.

Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year 2017-18.

2. DIVIDEND

In view of paucity of funds in the current year and due to counting losses the, the Board of Directors does not recommend any dividend for the F.Y. 2017-18.

The unclaimed dividend pertaining for the year ended March, 2009 transferred to the Investor Education & Protection Fund.

3. DIRECTORS AND KMP:

The details of Appointment, re-appointment and retiring by rotation of Directors and Key Managerial Personnel (KMP) are included in Corporate Governance Report, and forms part of the board’s report as “**Annexure B**”.

4. SEGMENT WISE AND PRODUCT-WISE OPERATIONAL PERFORMANCE:

The details are given under Notes to Accounts of financial statements.

5. 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:

- a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. 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;
- d. that the annual accounts have been prepared on a going concern basis;
- e. those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

6. MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2017-18, the Company held 6 (Six) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and Listing Regulations were adhered to while considering the time gap between two meetings.

Name of Directors	Category	Attendance of meeting during 2017-18		*No. of other Directorship
		Board	Last AGM	
Mr. V.S. Raju	Chairman	2	Yes	1
Mr. G. R. K. Raju	Managing Director	6	Yes	1
Mr. Praveen Kumar Raju Gottumukkala	Executive Director	6	Yes	0
Mr. U.S Kadam	Non-Executive & Independent	6	Yes	0
Mr. Satya Narayan Banka	Non-Executive & Independent	2	Yes	0
Ms. Venkata Sujani Indukuri	Executive Director	2	Yes	0
Mr. Siva Sankar Kalive	Non-Executive & Independent	5	Yes	0
Mr. P. V. V. Rama Raju	Non-Executive & Independent	1	Yes	0

7. PARTICULARS OF LOANS, ADVANCES, GUARANTEES AND INVESTMENTS

Pursuant to section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances, guarantees and investments are provided as part of the financial statements.

8. DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

9. RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.

10. ANNUAL REVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. 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, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. 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 who also reviewed the performance of the Secretarial Department.

11. INDEPENDENT DIRECTORS AND DECLARATION

Composition of the independent director is in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. CODE OF CONDUCT

- i. Code of Conduct for Director and Senior Management of the Company: The Company has adopted the Code of Conduct for the Directors and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code as on March, 2015.
- ii. Code of Conduct for prevention of Insider Trading: The Company has its own Code of Conduct for Prevention of Insider Trading

13. CORPORATE GOVERNANCE:

As the listed Company, necessary measures are taken to comply with provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Report on Corporate Governance along with the certificate as stipulated confirming compliance with the conditions of Corporate Governance, the Managing Director's declaration as stipulated under the aforesaid Clause, Regulation and Management Discussion and Analysis Report forms part of Annual Report.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREX EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure A**".

15. EXTRACT OF ANNUAL RETURN IN FORM MGT-9

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

16. COMPENSATION AND DISCLOSURE ANALYSIS:

The Companies Act, listing Regulations through various provisions require disclosure and analysis on executive, director's, KMP's and other employees' compensation. The said information forms part of board's report annexed herewith as "**Annexure C**".

17. RELATED PARTY TRANSACTIONS:

Related party disclosures pursuant to sub-section (1) of section 188 of the Companies Act, 2013 are forming part of the Board report and is annexed herewith as "**Annexure D**".

18. STATUTORY AUDITORS:

The Company's Auditors, B. M. Chaturvedi & Co., Chartered Accountants, Mumbai, (Firm Regn. No. 114317W). For the period of five consecutive years i.e. 01.04.2017 to 31.03.2022 subject to approval in the ensuing Annual General Meeting and ratification by members in each subsequent Annual General Meeting.

19. SECRETARIAL AUDIT REPORT

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. S. R.

Siddheshwar & Co., Pune, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. Secretarial Audit Report for the financial year March 31, 2018 is annexed herewith as "Annexure E" in FORM MR-3.

20. COMMENTS ON OBSERVATIONS ON SECRETARIAL AUDIT REPORT

The observation and qualification is annexed with as "Annexure-E"

21. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

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.

23. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2014

The Company has constituted an internal complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2014. During the year no complaint was filed before the said Committee.

24. ACKNOWLEDGEMENTS AND APPRECIATION

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment. Their dedication and competence has ensured that the Company will definitely overcome from such turbulent situation and emerge as significant and leading player in the industry.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Pune
Date: 14.08.2018

Sd/-
V.S.Raju
Chairman
DIN: 00842835

“ANNEXURE A”**TO BOARD’S REPORT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

1.	<p>(A) Conservation of Energy :</p> <p>(i) the steps taken or impact on : conservation of energy</p> <p>(ii) the steps taken by the company for utilizing alternate sources of energy</p> <p>(iii) the capital investment on energy conservation equipments;</p>	<p>During the year Your Company had taken various steps to Control the power cost in Company by Modifying the Existing Machinery which will result in reduction in power consumption by at least 25%.</p>
2.	<p>(B) Technology Absorption :</p> <p>(i) the efforts made towards technology absorption and R & D.</p> <p>(ii) the benefits derived from technology absorption and R & D like product improvement, cost reduction, product development.</p>	<p>“Dry Walls” “Floor” and grade material are developed for new segments.</p> <p>The Company has been able to successfully develop sustainable products using bio-degradable materials to substitute wood based applications.</p>
3.	Foreign Exchange Earnings & Outgo:	
	A) Activities relating to exports initiative taken for exports, development of new export markets for products and services.	Nil
	B) Total Foreign exchange used	
	1. Raw Material	
	2. Capital Equipment (Including Advance)	\$19,430
	3. Stores & Spares	\$ 11,118
	4. Foreign travel & other expenditure	Rs. Nil
	5. Royalty & Consultancy fees	Rs. Nil
	6. Earned Deemed Export	Rs. Nil

**“ANNEXURE B”
FORM NO. MGT.9**

**EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L24239MH1991PLC064087
2.	Registration Date	20/11/1991
3.	Name of the Company	ECOBOARD INDUSTRIES LIMITED
4.	Category/Sub-Category of the Company	Public Company limited by shares
5.	Address of the Registered office and contact details	65/1A, “Ecohouse,” “Akarshak Building” Opp. Nal Stop, Karve Road, Pune-411004 Tel.:(020) 41080800 Fax:(020) 254465328 E-mail: info@ecoboardindia.com
6.	Whether listed Company (Yes/No):-	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India Private Limited, 202-A, 2nd Floor, “Akshay Complex”, off Dhole Patil Road, Pune – 411 001. Tel.: (020) 26161629 Fax: (020) 26163503 Email: pune@linkintime.co.in

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1.	Green Panel	20213	74
2.	Green Energy	40107	26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The company does not have any holding, subsidiary, associate, joint venture Company of its own.

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	N.A				

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

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	10638724	-	10638724	59.72	10950913	-	10950913	61.41	1.69
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	100400	-	100400	0.56	100400	-	100400	0.56	0.00
Sub-total(A)(1):-	10739124	-	10739124	60.28	10412094	-	10739124	61.97	1.69
2. Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Other Individual	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-total(A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	10739124	-	10739124	60.28	10412094	-	10739124	61.97	1.69
B. Public Shareholding									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/FI	-	1900	1900	0.01	-	1900	1900	0.01	0.00
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital Fund	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	7800	7800	0.04	-	7800	7800	0.04	0.00
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub- Total –B(1)	-	9700	9700	0.05	-	9700	9700	0.05	0.00
2. Non-Institutions									
a. Body Corp.	1715433	293700	1009133	5.65	651776	293700	1009133	5.30	(0.35)
b. Individual									

i. Individual shareholders holding nominal share capital upto Rs 2 lakh	2940186	1463512	4403698	24.69	2792746	1453612	4246358	23.81	(0.79)
ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1090210	20100	1110310	6.22	1011546	20100	1031646	5.78	(0.42)
c. Others	10110	-	10110	0.06	7455	-	7455	0.04	(0.02)
1. (clearing member)									
2. (Market Maker)	650	-	650	0.003	4650	-	4650	0.02	0.017
(i) NRI (Rep)	33086	4100	37186	0.20	33486	4100	37586	0.21	0.01
(ii) NRI (Non-Rep)	5389	400	5789	0.032	10389	400	10789	0.060	0.028
(iii) Foreign National	-	-	-	-	-	-	-	-	-
(iv) OCB	-	250000	250000	1.40	-	250000	250000	1.40	0.00
(v) Hindu Undivided Family	255311	989	256300	1.43	236038	989	237027	1.32	(0.19)
(vi) In Transit	-	-	-	-	-	-	-	-	-
Sub-total B (2)	5050375	2032801	7083176	39.72	4748086	2022901	6770987	37.97	(1.23)
Net Total B = (B (1)+(B)(2))	5050375	2042500	7092876	39.77	4748086	2032601	6780687	38.03	(1.75)
C. Shares held by Custodians for GDR's and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15784899	2047101	17832000	100.00	15789499	2042501	17832000	100.00	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1.	Jayalakshmi Gottu-mukkala	3055136	17.16	-	3307414	18.55	-	1.39
2.	GRK Raju	2176225	12.20	-	2176225	12.20	-	0.00
3.	Satyavathi Vegesna	1172736	6.58	-	1172736	6.58	-	0.00
4.	Sujani Venkata Indukuri	1110642	6.26	0	1170553	6.56	-	0.3
5.	Praveen Kumar Raju Gottumukkaia	890500	4.99	0	890500	4.99	-	0.00
6.	Subba Raju Vegesna	872255	4.89	0	872255	4.89	-	0.00
7.	P Satyanarayana Raju	844600	4.74	0	844600	4.74	-	0.00

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	
8.	Ramakrishna Raju Gottumukkala (HUF)	300000	1.68	0	300000	1.68	-	0.00
9.	Prithvi Raju Venkata P	90300	0.51	0	90300	0.51	-	0.00
10.	Lalita Rajeshwari P	59430	0.33	0	59430	0.33	-	0.00
11.	P Anuradha	50100	0.28	0	50100	0.28	-	0.00
12.	Srinivas Raju P	16800	0.09	0	16800	0.09	-	0.00
13.	P Srinivas Raju (HUF)	89900	0.50	0	89900	0.50	-	0.00
14.	Ve gesna Subba Raju (HUF)	10500	0.06	0	10500	0.06	-	0.00
	Total	10739124	60.28	Total	11051313	61.97	-	1.69

- (i) Change in Promoters' Shareholding (please specify, if there is no change): promoters shareholding increased by 1.69 % during the year 2017-18
- (ii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2016)		Shareholding at the end of the year (31/03/17)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Jayalakshmi Gottumukkala	3055136	17.1329	3307414	18.5476
2.	G R K Raju	2463225	13.8135	2463225	13.8135
3.	Satyavathi Ve gesna	1172736	6.5766	1172736	6.5766
4.	Sujani Venkata Indukuri	1110642	6.2284	1170553	6.5643
5.	Praveen Kumar Raju Gottumukkala	890500	4.9938	890500	4.9938
6.	Subba Raju Ve gesna	872255	4.8915	872255	4.8915
7.	P Satyanarayana Raju	844600	4.7364	844600	4.7364
8.	Supra Investments Private Limited	424796	2.3822	424796	2.3822
9.	Srinivasa Raju Indukuri	266330	1.4936	424796	2.3822
10.	Vesar Furnitek Private Limited	250100	1.4025	250100	1.4025

(iii) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director/KMP	No of shares at the beginning of the year (01/04/2016)	% of total shares of the company	No of shares at the end of the year (31/03/2017)	% of total shares of the company
1.	GRK Raju	2463225	13.81	2463225	13.81
2.	Sujani Venkata Indukuri	1110642	6.22	1110642	6.22
3.	Praveen Kumar Raju Gottumukka	890500	4.99	1170553	6.5643

V. INDEBTEDNESS

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

(Amount in Lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2016				
1) Principal Amount	2576.70	1312.72	35.99	3925.41
2) Interest due but not paid	318.68	-	-	318.68
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	2895.38	1312.72	35.99	4244.09
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	140.25	-	-
-Reduction	191.8	-	1.15	-
Net change	-	-	-	-
Indebtedness at the end of the financial year 31-03-2017				
1) Principal Amount	2384.90	1452.97	34.84	3872.71
2) Interest due but not paid	615.40	-	-	615.40
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	3000.3	1452.97	34.84	4488.11

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:****(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Name of MD/WTD/Manager	Name of MD/WTD/Manager
		MD	Executive Director and CFO	Executive Director
		Mr. G. R. K. Raju	Mr. G. P. K .Raju	Mrs. Venkata Sujani Indukari
1.	Gross Salary	17,88,000/-	16,86,000/-	14,46,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act.	17,88,000/-	16,86,000/-	14,46,000/-
	(b) Value of perquisites u/s 7(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - As % of Profit - Others, specify	1%	1%	1%
5.	Others, please specify Sitting Fees	-	-	-
	Total	17,88,000/-	16,86,000/-	14,46,000/-
	Ceiling As per Act			As per Section 197 a Company profits in a financial year may pay remuneration to a managerial person not exceeding 5 % of the Net profit of the Company.

B. Remuneration to other directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration						
		Mr. V. S. Raju	Mr. U.S. Kadam	Mr. Siva S. Kalive	Mr. P. V. V. Rama Raju	Mr. S.N Banka	
1	Independent Directors						
	- Fee for attending board committee meetings	-	10,000	10,000	5,000	-	-
	- Commission	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total (1)	-	10,000	10,000	5,000	10,000	25,000
2	Other Non Executive Directors						
	- Fee for attending board committee meetings	5,000	-	-	-	-	-
	- Commission	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total (2)	5,000	-	-	-	-	5,000
	Total (A) = (1+2)	5,000	10,000	10,000	5,000	-	30,000
	Total Managerial Remuneration						
	Overall Ceiling as per the act						

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the KMP		Total Amount (In Rs.)
		*Mrs. Sonika Kulhare	#Mrs. Shruti Gupta	
1.	Gross Salary	Rs.		Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	1,77,502/-	68,314/-	2,45,816/-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-		-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-		-
2.	Stock Option	-		-
3.	Sweat Equity	-		-
4.	Commission - As % of Profit - Others, specify	-		
5.	Others, please specify	-		-
	Total (A)	1,77,502/-	68,314/-	2,45,816/-

i. *Resigned from the post of Deputy General Manager, Company Secretary and Compliance Officer w.e.f. 30.11.2017.

Appointed as Company Secretary and Compliance Officer w.e.f. 18.12.2017.

ii. Penalties/punishment/compounding of offences:

There were no penalties/punishment/compounding of offences during the financial year 2017-18.

**“ANNEXURE C”
Director Remuneration**

Disclosure in Board’s Report:-

- 1) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-

- Median Remuneration of the employees of the company for the financial year is Rs. 1.63 Lac/-

Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1.	Mr. G. R. K. Raju	10.91
2.	Mr. G. P. K. Raju	10.29
3.	Mrs. Sujani V. Indukuri	8.83

- 2) The percentage increase in remuneration of each director, CFO, CS in financial year:

Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1.	Mr. G. R. K. Raju	-
2.	Mr. G. P. K. Raju	-
3.	Mrs. Sonika Kulhare	1.69

- 3) The percentage increase in the median remuneration of employees in the financial year:- NIL
 4) Comparison of the remuneration of the KMP against the performance of the company:-
 - It is commensurate with the turnover and profits of the Company and performance of the individual.
 5) The Number of permanent employees on the rolls of the Company: 54
 6) Comparison of each remuneration of KMP against the performance of the company
 7) Key parameters for any variable component of remuneration availed by the directors
 8) There are no employees getting remuneration higher than that of the MD. Similarly there is no employee getting remuneration exceeding Rs. 60 lakhs in the aggregate during the financial year ended on 31st March, 2016.
 9) The Nomination and Remuneration committee and the board of directors affirm that the remuneration is as per the remuneration policy of the company.

For Ecoboard Industries Limited

Place: Pune
Date: 14.08.2018

V.S.Raju
Chairman
 DIN: 00842835

“ANNEXURE D”
Form No. AOC-2

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

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

1. Details of contracts or arrangement or transactions at arm's length basis:

There were no transactions entered by the Company with its related party which are not at arm's length.

2. Details of contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of Related Party	Nature of Relationship	Duration of Contract	Salient terms	Date of approval by the Board	Amount paid as advances	Transaction during the year Amount (Rs.)
1.	Vesar Furnitek Private Limited (customer)	Private Company in which Mrs. Shrinivas Indukuri & Mrs. G. Jayalakshmi are Directors	Five Years till 2019	Sales of Particle Board. Terms of the contract conform to the prevailing market rates and all the care has been taken to ensure reasonability of prices as compared to the prevailing rates in the market better quality products and timely supplies.	25.05.2015	-	5,76,200/-
2.	Mrs. Indukuri Venkata Sujani	Daughter of Mr. G.R.K. Raju, Man-aging Director of the Company	Two Year	Rent for Immovable Prop-erty	15.11.2016	-	5,76,200/-
3.	Mr. G.P.K. Raju	Executive Direc-tor of the Compa-ny	One Year	Unsecured Loan	20.07.2017	-	1,12,61,826/-
4.	Mr. G.R.K. Raju	Managing Direc-tor of the Compa-ny	One Year	Unsecured Loan	20.07.2017	-	9,53,11,424/-
5.	Mrs. Sujani Venkata In-dukuri	Executive Direc-tor of the Compa-ny	One Year	Unsecured Loan	20.05.2017	-	1,10,33,811/-

Advantages by dealing with Vesar Furnitek Private Limited are

- **Cost reduction:** Greater control on the inputs processing by the contractee party thereby ensuring cost reduction.
- **In-time delivery:** To ensure timely supplies of materials thereby ensure smooth production flow.
- **Flexibility:** To ensure flexibility in production system, thereby maximizing the sales.
- **Locational Advantages:** To ensure that the supplies are located close to the works thereby ensuring faster delivery.

For Ecoboard Industries Limited

Place: Pune
Date: 14.08.2018

V.S.Raju
Chairman
DIN: 00842835

“ANNEXURE E”
Form No. MR-3
SECRETARIAL AUDIT REPORT
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE YEAR ENDED ON MARCH 31st 2018

To
The Members,
ECOBBOARD INDUSTRIES LIMITED.
65/1A, “ECOHOUSE”; AKARSHAK BUILDING,
OPP. NAL STOP, OFF. KARVE ROAD,
PUNE 411004.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ECOBBOARD INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management’s Responsibility

Management is responsible for the preparation and filing of all the forms, returns, documents for the compliances under the Companies Act, 2013, regulations laid down by Securities and Exchange Board of India, Environment (Protection) Act, 1986 and Rules made there under listed hereinafter, and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Auditor’s Responsibility

Secretarial Audit is a process of verification of records and documents on sample basis to check compliance with the provisions of laws and rules/procedures under the Companies Act, 2013, regulations laid down by Securities and Exchange Board of India, Environment (Protection) Act 1986 and Rules made there under listed hereinafter. The procedure for secretarial audit is selected on the secretarial auditor’s judgment, including the assessment of the risks of material non-compliance of the documents filed. In making those risks assessments, the secretarial auditor considers internal control relevant to the Company’s preparation and fair presentation of the documents in order to design secretarial audit procedures that are appropriate in the circumstances. My responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. I have conducted my audit solely on the basis of the compliances and filing done by the Company under the aforesaid laws. 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 31st March 2018 complied with the statutory provisions listed hereunder and also as represented to me by the management of the company, 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 31st March 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. Payment of Gratuity Act, 1972
- vii. Payment of Wages Act, 1936
- viii. Employees State Insurance Act, 1948
- ix. Payment of Bonus Act, 1965
- x. 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 (Listing Obligations and Disclosure Requirements) Regulations 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period)**
 - c) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**
 - g) 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;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. Secretarial Standards have been approved by the Government of India for implementation during the financial year 2015-16. Hence the current para is applicable for the year under audit.
- ii. The erstwhile Listing Agreement entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1st December 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the observations/ qualifications mentioned in "**Annexure I**":

I further report that,

The Board of Directors of the Company is duly constituted with optimum 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.

All decisions/ Major decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may

be, while the dissenting members' views are captured and recorded as part of the minutes.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions/major decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be, while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has not taken any action/events having major bearing on the company's affairs.

FOR S. R. SIDDHESHWAR & CO.

Place: Pune
Date: 24.08.2017

CS SAMEER SIDDHESHWAR
Proprietor
ACS: 41842
CP: 15564

“ANNEXURE I”

**OBSERVATIONS / QUALIFICATION, RESERVATION OR ADVERSE REMARKS
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018**

COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

Sr. No.	Qualifications/Observations By Secretarial Auditor	Comments By The Board Of Directors
1.	During the year under review appointment of Mr. Satya Narayan Banka was confirmed by the shareholders in the Annual General Meeting held on 29th September 2017, however company had not filed Form DIR-12 with the Registrar of Companies, Pune.	During the process of Secretarial Audit the Form DIR-12 was filed with ROC, it was the mistake occurred unintentionally, Company assures to avoid such situations in future.

SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Sr. No.	Qualifications/Observations By Secretarial Auditor	Comments By The Board Of Directors
1.	Company has not paid listing fees to the Stock Exchange and therefore not complied with Regulation 14.	Company is facing financial crunch from last few years, and Company had requested the BSE to grant sometime for the payment of the Listing fees, the Company assures to avoid such situation in future.

2.	As required under Regulation 18 Mr. Satya Narayan Banka was appointed as member of audit committee of the Company as on 14th August 2018; however there is no resolution passed in the Committee Meeting for his appointment.	The Company inadvertently missed to put the same in agenda. Company will ensure the compliance henceforth and will try to avoid such situation in future.
3.	As required under Regulation 27(2), company is required to submit Corporate Governance Report on quarterly basis to the Stock Exchange within Fifteen days from close of each quarter; the same has not been complied for 1st Quarter ended 30th June 2017.	Company is regular and punctual in submitting the reports to BSE. The Company failed to submit the CG report for the quarter ended however due to technical issues with the website, company could not informed the same to the stock exchange in due time. The Company will take care to avoid such situations in future.
4.	Company has made few late submissions of the Outcome of Board meeting to the Stock exchange as required under sub-para 4 of Para A of Part A of Schedule III thereby violating Regulation 30(6)	The Company is regular in submitting all the required information with Stock Exchange. Due to technical issues with the website company could not informed the same to the stock exchange in due time. The Company will take care to avoid such situations in future.
5.	As prescribed under Regulation 31 (1); Company was required to submit Shareholding Pattern within 21 days from close of each quarter; the same has been submitted later than the due date for third Quarter ended December 2017.	The company was not able to submit the Shareholding pattern for the third quarter on time due to the late release of beneficial positions by NSDL.
6.	As required under Regulation 35 company has not submitted to the stock exchange(s) an Annual Information Memorandum.	The Company inadvertently missed to submit the same to stock exchange during the year. Company will ensure the compliance henceforth and will try to avoid such situation in future.
7.	As per Regulation 47(3) requires the company to publish financial results within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved, however, Company has delayed in complying with this requirement in quarters of the Financial Year ended 2018.	The company immediately submits the approved financial results to BSE website after the meeting and makes the results public. However, 48 hours is difficult as newspaper publication takes minimum 3 to 4 days to publish the financial results after the results are approved in meeting.
8.	Company has not complied with Regulation 34(1), which mandates company to file annual report with the stock exchange within 21 days of its being adopted and approved in Annual General Meeting.	The Company is regular in submitting all the required information with Stock Exchange. Due to technical issues with the website company could not informed the same to the stock exchange in due time and the same was informed as on 9th September.

FOR S. R. SIDDHESHWAR & CO.

Place: Pune
Date: 24.08.2017

CS Sameer Siddheshwar
Proprietor
ACS: 41842
CP: 15564

ANNEXURE TO BOARDS' REPORT

A. MANAGEMENT DISCUSSION AND ANALYSIS

About the company

Ecoboard deals in "Green Panels" made from agri-residues mainly baggasse and "Green Energy" anaerobic waste water treatment plants for distilleries.

The "Green Panels" are 100% wood-free and a versatile all purpose board meant to be a alternative to conventional wood based particle boards, plywood and other panel products.

"Green Energy" division has technical assistance from Sulzer Chemtech Ltd., Switzerland the company manufacturers waste water treatment plants which handle toxic residues spent wash and effluent of obnoxious nature from distilleries and transform bio gas, by product of the treatment process into fuel, i.e turning waste water to wealth.

Manufacturing process of "Green Panels":

A lot goes into the process of manufacturing "Green Panels". Bales of agro waste, received from sugar factories are elaborately processed, blended, resin with fibers, machine pressed, screened, layered into sheets, checked and graded to reconfirm quality. This is followed by a secondary process of decorative covering with textured melamine gas treated design using short cycle laminating process. The end product, manufactured from agro residue such as sugarcane baggasse, stalk of cotton, bajra, tur, corn etc. is cent-percent wood free, sturdy, durable, easy to maintain, abrasion resistant, eco friendly, moisture resistant, dimensionally stable, termite resistant, fire retardant, and also cost effective.

Manufacturing facilities:

The company had initially set up two manufacturing facilities situated at Velapur near Solapur district and at Jambhulwadi in Sangli district respectively keeping in mind the assured raw material supply.

The Velapur plant is spread over 85 acres of land and has a production capacity of 36 lacs m² per annum. Furthermore it has sophisticated and automated plant and machinery imported from Germany and UK. Your Company has taken up the work of setting a new production line at its Velapur unit for production of 8'x4' size particle boards from bagasse and of improving material preparation section of existing line of 13.5'x6' size particle boards production line.

The case for Ecoboard

Philosophy and Environmental outlook

Ecoboards are made from "Natural Fibers", extracted from agricultural waste and process them to good quality particle/fibre board for application to the doors, office furniture, home furniture, school furniture, wall paneling, commercial buildings, floors etc. as against the wood based boards use of which has caused enormous depletion of forest cover thus damaging the environment and contributing to adverse climate change.

Risks – Agro waste as a raw material

The main risk is of availability of raw material in required quantity and at economic price, agro waste is being used captively by the sugar factories for steam generation and for generation of electricity. With a power shortage in Maharashtra State the pressure on sugar factories to generate electricity would be high and to that extent availability of baggasse and its price would be a constant concern.

Today bagasse in Maharashtra is available for particle board industry at over Rs. 2700/T excluding landing cost plus GST which is industry irrelevant. It is ironical to note that the by product itself is now available at a higher price than sugar cane where once the disposal of bagasse itself was a problem. Plywood which is conventionally used is still encouraged and continued by the public at the cost of depleting forest cover and tree resources due to lack of Govt. clear direction despite ban on expansion of plywood industry by the Hon'ble Supreme Court.

Industry synopsis

Over the period globally plywood industry is losing its base and alternative materials are getting used over wood products due to development of a conscious public mind to conserve forest wealth. Industry aims to reduce 50% plywood use in this decade while substituting particle board industry to reach 50% requirement.

Agro residue boards Industry if allowed to survive and sustain, shall help the country encourage to set up at least 1000 units in rural India wherein use of non conventional renewable agri-residues shall replaced wood/tree resources in next 20 years. In addition to serve the environmental cause, the industry supports and encourages rural employment and rural development and brings sizeable revenue to the poor farmers through sale of agro-residue which is otherwise burnt in the field causing enormous carbon emissions.

Risk aversion initiatives

In view of High Bagasse price your Company has taken up the works of for improving material preparation section of particle boards of 13.5'x6' size production line and has been completed.

Management's decision of Modification of existing line of 13.5' x 6' boards resulted in:-

- a) Reduction in our cost of Production on account of reduction in power consumption by at least 25%.
- b) Reduction in ratio of Raw material consumption and inputs.
- c) Reduction in manpower on account of automation.

Efforts are made through the all India agro board association which has asked the government to allot / ensure adequate supply of bagasse for particle board industries.

Optimal capacity utilization, logistics, connectivity of distribution system by setting up nodal service centers at strategic locations across India and a swift delivery module by maintaining stock of finished goods at centers these are the key elements in our road map for achieving growth targets. The GST implication in near future will further help the Companies growth prospects by easy logistics points in other states.

Trends – technological challenges, new developments

The developed countries like Japan USA, had imposed formaldehyde free norms/directions for living environments due to the importance of lowering CO2 emissions and reducing toxicity. Other countries are following with the support of local/national governments.

The production process will have to be in conformity with the ISO 2001 certification norms in future. New techniques are being invented to produce boards which are both fire and water resistance.

The boards are being made are fully (100%) recyclable or reusable to an equal product in order to fulfill the **Cradle to Cradle (C2C)** concept.

With the increasing globalization there is a need to standardize the product at par with the international standards. This would enhance the product life, meet the users need and benefit economically for the user.

Process improvement in par with ISO standards would bring environmental consciousness among the users groups and aid in Internationalization of R & D to in the industries.

Company has already started the process to increase in the revenue by overcoming raw material problems

and by adopting new technology which helps to minimize production cost. Your Company is in process of Finalizing the Prospective Buyer to sale out Jambhulwadi plant and sale proceeds for the same shall be utilized to modernize facilities at Velapur plant and to reduce working capital loans.

Internal Control Systems

Adequate internal control systems are in place in all areas of operation to ensure safeguarding of assets against loss from unauthorized use or disposition and the same are being continually reviewed and strengthened wherever necessary. Such systems have also been developed to ensure adherence to polices and systems and mitigation of the operational risks covering each area under review. The organization is well structured and the policy guidelines are well documented with pre defined authorities. The company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with the accuracy and there is a strict compliance with all applicable laws and regulations.

Corporate Social Responsibility

As a matter of fact there is no formulated written CSR Policy in place. The Board invariably has

- 1) Planted trees as part of Govt of Maharastras drive.
- 2) Schools furniture for Government schools.
- 3) Medical and Food camps for the annual event "Wari" attended by lakhs of pilgrims.

The Company developed a strategy to provide a roadmap for its CSR activities over the period and after passing of the Companies Act, 2013 in particular, which has become an integral part of our business strategy over a decade or so.

As a good corporate citizen, we recognize and perform the obligations towards our employees, investors, customers, suppliers, competitors and the community as a whole. We believe our reputation, together with the trust and confidence of those with whom we deal, to be one of our most valuable assets. We strongly believe that integrity in dealings with stakeholders is a prerequisite for a successful and sustained business relationship.

Environment

As the products of the Company are eco-friendly and fired by a passion of protecting the environment, the company believes that, by nature, our operations have a minimal impact on the environment. In the course of our operations we seek to identify opportunities to reduce/ keep it at minimum consumption of energy, water and other natural resources. We also strive to re-use and recycle where possible and dispose of non-recyclable items responsibly, thereby minimizing impact on the environment.

Human Resources / Industrial Relations

The Company has a fully functional human resource department taking care of human force in the Company. Company has taken effort for human resource development. Company has arranged various training programs during the year. Company has a proper team for recruitment of employees and keeps compensation structure in line with the market developments.

FINANCIAL PERFORMANCE SHARE CAPITAL AND RESERVES AND SURPLUS

During the year Authorized capital of the Company stands at Rs. 2500 Lacs and Reserves & Surplus of Rs. -3,339.14/- Lakhs it includes Depreciation on fixed assets whose residual useful life is nil is adjusted against retained earnings as per provisions of Schedule II to the companies Act, 2013. And paid up capital was 1783.20/- Lakhs.

FIXED ASSETS

During the year 2017-18 Company has purchased Fixed assets of Rs. 32000/-, whereas the value of Fixed Assets decreased from Rs.3661.16 /- Lakhs to Rs 1,602.70/- Lakhs.

CURRENT ASSETS LOANS AND ADVANCES AND CURRENT LIABILITIES AND PROVISIONS

Loans and advances as at 31st March, 2018 was Rs. 105.4 Lakhs significant item of loans and advances includes advance towards Capital Expenditure. Company has Rs. 1442.61 Lakhs of Inventories of Raw Material, Stores and packing Material, Finished goods etc.

Other Current Liabilities as at 31.03.2018 were Rs. 1337.43 Lakhs.

OPERATIONAL PERFORMANCE

Sr. No.	Particulars	Current Year 2016-17 (Rs. In Lakhs)	Previous Year 2015-16 (Rs. In Lakhs)
1.	Sales and Other Income	901.74	1675.04
2.	Change in Inventories	161.61	113.69
3.	Total Expenditure other than interest & Depreciation	1368.5	1960.72
4.	Interest	636.27	423.06
5.	Depreciation	122.65	99.88
6.	Profit / (loss) before exceptional Items	(1387.32)	(808.62)
7.	Add/ (Less):- Exceptional Items	(11.29)	(166.51)
8.	Less:- Tax Expense	0.00	0.00
9.	Profit / (loss) for the Period from Continuing Operations	(1376.03)	(975.13)
10.	Profit / (loss) for the Period from Discontinuing Operations	(0)	(21.08)
11.	Profit / (loss) for the Period	(1376.03)	(996.21)

Cautionary Statements

Statements made in the Management discussion and analysis report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations may include:

- 1) Supply and demand conditions affecting selling prices, input availability.
- 2) Company's ability to successfully implement Company's strategy, growth and expansion plans and technological initiatives.
- 3) Changes in government policies, changes in political conditions.
- 4) Changes in laws and regulations including tax laws.
- 5) General economic developments and business conditions in India and other countries.
Other factors such as litigation and industrial relations.

CORPORATE GOVERNANCE REPORT**(As required under Regulation 34(3) of SEBI (LODR) Regulations 2016)****1. COMPANY'S GOVERNANCE PHILOSOPHY**

Corporate Governance safeguards and adds value to the interest of its stakeholder's viz. investors, creditors, customers, employees and Government etc. The company pursues the process of Corporate Governance in compliance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and submits a report on the matters mentioned in the said regulation and followed in practice by the Company. The Company remains committed to the core aspects of Corporate Governance, viz. fairness, transparency, accountability and responsibility.

2. POLICIES

In compliance with the requirements of SEBI (LODR) Regulations, 2015 and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

a. Whistle Blower & Vigil Mechanism Policy:

As per Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a comprehensive Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of conduct or ethics policy. This Policy (copy of which is uploaded on the website of the Company) safeguards whistleblowers from reprisals or victimization.

b. Code of Conduct

- i) Code of Conduct for Director and Senior Management of the Company: The Company has adopted the Code of Conduct for the Directors and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code as on March, 2014.
- ii) Code of Conduct for prevention of Insider Trading: the Company has its own Code of Conduct for Prevention of Insider Trading

c. Related Party Transaction Policy

In compliance with the requirements of Regulation 23 of SEBI(LODR) Regulations, 2015 the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company.

d. Policies & Code as per SEBI Insider Trading Regulations

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

Mr. Girish Tiwari, Compliance Officer & Company Secretary of the Company was the Compliance officer for the purposes of Insider Trading Code till 15.11.2016. Further he resigned from the above post w.e.f. 15.11.2016. For the period started from 15.11.2016 till end of financial year 2016-17 Mrs. Sonika Kulhare was the Compliance officer for the purposes of Insider Trading Code.

e. Familiarisation Program for Independent Directors

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company.

3. BOARD OF DIRECTORS

Composition and Category of Directors

The Company has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the Board is in conformity Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Board comprises of 4(Four) independent Directors i.e. Directors, who, apart from receiving sitting fees, do not have any other material pecuniary relationship or transactions with the Company, its promoters or its management, which may affect independence of judgment of the Directors.

Name of Director	Category	Attendance of meeting during 2017-18		*No. of other Directorship
		Board	Last AGM	
Mr. V.S. Raju	Chairman	1	Yes	1
Mr. G. R. K. Raju	Managing Director	6	Yes	1
Mr. G. P. K. Raju	Executive Director	6	Yes	0
Mr. U.S. Kadam	Non-Executive & Independent	5	Yes	0
Ms. Venkata Sujani Indukuri	Executive Director	1	Yes	0
Mr. Siva Sankar Kalive	Non-Executive & Independent	6	Yes	0
Mr. P. V. V. Rama Raju	Non-Executive & Independent	2	Yes	0

Composition of the Board and directorship held during the year 2017-18

* In accordance with Regulation 26 of Listing Regulation, Membership / Chairmanship of only the Audit Committees and the Share Transfer & Shareholders / Investors Grievance Committees of all Public Limited Companies have been considered. None of the Directors serve as members of more than 10 committees or are chairman of more than 5 committees across all the Companies in which they are Directors.

The Board met 5(Five) times during the financial year under review on the following dates:

- | | | |
|------------------------------------|-----------------------------------|------------------------------------|
| 1) 20 th May, 2017 | 2) 14 th August, 2017 | 3) 24 th August, 2017 |
| 4) 14 th November, 2017 | 5) 18 th January, 2018 | 6) 12 th February, 2018 |

The maximum time gap between any two meetings was not more than 120 days.

Profile of Directors

1. Mr. V. S. Raju - Chairman

Mr. V. S. Raju is “The Padma Award” nominee for his contribution to environment by establishing technologies to convert agri-residues to affordable panels and conserve nature. Currently, he is non executive chairman of Ecoboard Industries Limited.

He is a sugar technologist and did Masters from National Institute of Sugar (NIS), Kanpur. He is founder president of “All India Agro Board Association” and played a vital role in convincing the importance of “Agro-Boards” to conserve nature and reverse climatic change and thereby achieved excise exemption on the product. He successfully pioneers in introducing ecofriendly particle board in India from agricultural waste.

2. Mr. G. R. K. Raju

Mr. G. R. K. Raju is Managing Director of EIL. He is worked with Chairman V.S. Raju from the beginning of the company and has taken the Company to new heights. He is technocrat with more than 35 years of experience in the field of administration of business affairs and strategic decisions.

He introduced the “CSTR technology” for treating industrial waste, which is adopted by all sugar industries as proven technology. He also actively involved in bio gas division to design and implement customized solutions for treating waste in generating energy and power. In Particle Board division, he was instrumental in implementation of world’s largest engineered panel unit facility at Velapur factory. He is also an active member of various social institution and having good relationship with all sugar factories.

3. Mr. G. P. K. Raju (Praveen)

He actively involved in Particle Board business as Executive Director from 2010 to till date. He was instrumental in developing new products like HDHMR, Ecodoors, Zero formaldehyde panels. He played active role machinery upgradation project for Velapur Factory to reduce raw material consumption. He also takes active role in Market research, budgeting and frequently interacts with customers. He has taken over the responsibility of All India Agro Board Association to convince both Central and State Governments to apply lower GST on Agro-Based Panels.

Mr. G. P. K. Raju has completed MBA from Bentley University(Boston) with Distinction. Later, he worked as Analyst at International Data Corporation(IDC) in Boston. He did Masters in Electrical Engineering from Southern Illinois University. And was elected as a Senator for Student Government at SIU.

He likes designing new products. In 2006, He also has developed an electronic product in collaboration with IIT, Hyderabad “e-Stick for Blind” that will enable them to use public transportation like Buses and other. His paper on “Cell Phone for Senior Citizens” has been awarded first prize by IIT, Bombay in 2005

His other areas of interest include Graphic designing, Photography and participating in Half-marathon, Triathlon and Cycling (He got 2nd position at 100 Km Cycling Race event in Hyderabad, 2015)

4. Mrs. Sujani V. Indukuri

Mrs. Sujani V. Indukuri is Executive Woman Director on Board. She has MBA and a Graduate Degree in Electronics & Communication.

She has held various executive positions in IT companies. She served as HR Manager at Zensar Technology. Currently, She is involved in various HR and promotional activities in EIL

5. Mr. Narasimhan Krishnan (Independent Director)

A Graduate Engineer with several research experience in metal fabrication, x-ray screens, iron foundry

and “Q”ing theory.

6. Mr. Uttam S. Kadam (Independent Director)

A Chartered Accountant with several years experience in audit and consultancy services.

7. Mr. Siva Sankar Kalive (Independent Director)

He is a consultant and faculty in various Management schools and previously served to Indian Navy as manager in charge, programme manager at DRDO and head in DIAT.

8. Mr. P. V. V. Ramaraju (Independent Director)

He has served to several Banks as advisor and manager and revenue advisor to Ministry of Finance (Islamic Republic of Afganistan).

Board Procedure

The Board Meetings of the Company are governed by a structured agenda. The Board Meetings are generally held at the Registered and Corporate office of the Company at Pune. The Company Secretary in consultation with Chairman, and the Managing Director & Chief Executive Officer finalizes the agenda of the Board meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board meeting(s) to enable the Board members to take informed decision.

Any Board Member may, in consultation with the Chairman, bring up any matter at the meeting for consideration by the Board. Senior management personnel are invited from time to time to the Board meetings to make requisite presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies.

The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

4. Brief profile of the Directors of the Company to be appointed/re-appointed at the Annual General Meeting

Name	Mr.V.S Raju	Mr. P.V.V Raju
Address	11, National Housing Society Baner Road, Aundh Pune 411007	S 46, Satya Garden, Opp Petbas Bad, Poolice Station, Jeedime Ranga Reddy Dis Trict Hyderabad 500055
Date of Birth	02/09/1938	06/04/1960
Date of Appointment	20/11/1991	14/11/2015
Qualification	Mba And A Graduate Degree In Elec-Tronics & Communication.	Mba And M. Tech In Electrical Engineering

Experience	He is a sugar technologist and did Masters from National Institute of Sugar (NIS), Kanpur. He is founder president of "All India Agro Board Association" and played a vital role in convincing the importance of "Agro-Boards" to conserve nature and reverse climatic change and thereby achieved excise exemption on the product. He successfully pioneers in introducing ecofriendly particle board in India from agricultural waste.	He has served to several Banks as advisor and manager and revenue advisor to Ministry of Finance (Islamic Republic of Afghanistan).
List of other Companies in which Directorship held	NIL	NIL
Shareholding	872255 shares	0 Shares

5. Board Committees

Particulars of Meetings of Board Committees held during the year along with details of Director's attendance at such Committee Meeting(s) is detailed herein:

	*Audit Committee	Nomination & Remuneration Committee	*Stakeholders Grievance Committee
No. of Meetings held			
Directors attendance			
Mr. U.S. Kadam	4	2	2
Mr. Narasimhan Krishnan	4	2	2
Mr. V. S. Raju	NA	1	NA
MR. G. R. K. Raju	4	NA	2
Mr. Siva Sankar Kalive	NA	1	2

Note: NA denotes that the director is not a Member of such Committee.

6. Details of Board Committees are as mentioned herein:

a) Audit Committee

Constitution

As at March 31, 2018, the Audit Committee of the Board comprised of three (3) Directors including Mr. U.S. Kadam, Independent Director as Chairman, Mr.Siva Sankar Kalive, Independent Director and Mr. G. P. K. Raju, Managing Director as its Members. During the year under review, Four (4) meetings of the Audit Committee were held on:-

- 1) 20th May, 2017
- 2) 14th August 2017
- 3) 14th November, 2017
- 4) 12th February, 2018

Terms of reference

The Terms of reference and role of the Audit Committee are as per guidelines set out in Regulation 18 of SEBI (LODR) Regulations 2015 and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia reviews:

Accounting and financial reporting process of the Company; Audited and Un-audited financial results; Internal Audit reports, risk management policies and reports on internal control system; Discusses the larger issues that are of vital concern to the Company including management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations; Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto; Functioning of Vigil Mechanism Policy; and Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditors and Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to these, in compliance with requirements of Listing Regulations.

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/others management information

b) Nomination and Remuneration Committee**Constitution**

In compliance with requirements of Regulation 19 of SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013, during financial year 2016-17, 'Nomination and Remuneration Committee' which comprises of Mr. U.S. Kadam, Independent Director as Chairman, Mr. Siva Sankar, Independent Director, Mr. V. S. Raju, Non-Executive Director as its Members.

During the year under review the Committee met twice on 24th August , 2017 and 14th November, 2017.

Terms of reference the terms of reference of the Nomination and Remuneration Committee include:

Formulation of guidelines for evaluation of candidature of individuals for nominating and/ or appointing as a Director on the Board including but not limited to recommendation on the optimum size of the Board, age / gender / functional profile, qualification /experience, retirement age, number of terms one individual can serve as Director, suggested focus areas of involvement in the Company, process of determination for evaluation of skill sets, etc.

Formulation of the process for evaluation of functioning of the Board – individually and collectively and making recommendation as to the Board remuneration including the salary and/or commission payable to the Directors;

Recommend nominations / appointments to the Board, including Executive Directors /Independent Directors and suggest the terms of such appointments;

Recommend all elements of remuneration package of Whole-time Directors including Increment / incentives payable to them within the limits approved by the Board /Members;

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in

a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company. An extract of the Remuneration Policy approved by the Nomination & Remuneration Committee of the Board has been included as a part of this Annual report.

Remuneration payable to Executive Directors

Your Board currently comprise of 3 Executive Directors viz. Mr. G. R. K. Raju, Managing Director and Mr. G. P. K. Raju, Executive Director and Ms. Sujani Venkata Indukuri, Executive Director.

The details of the remuneration paid to Executive Directors of the Company during the year ended March 31, 2018 is as under:

Particulars	Mr. G. R. K. Raju	Mr. G. P. K. Raju	Ms. Sujani Venkata Indukuri
Salary & Allowances	17,88,000/-	16,86,000/-	14,46,000/-
Perquisites	-	-	-
Provident Fund Contribution	1,77,600/-	1,53,600/-	1,75,200/-
Total	19,65,600/-	18,39,600/-	16,21,200/-

Remuneration payable to Non-Executive Directors

During financial year 2017-18 Non-Executive Directors were paid sitting fee at the rate of Rs. 5,000/- for attending each meeting(s) of the Board and Committees thereof, other than Stakeholders Relationship Committee and Nomination and Remuneration Committee.

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in normal course of business.

c) Stakeholders Relationship Committee

Constitution

In compliance with Regulation 20 of SEBI (LODR) Regulation 2015 and Section 178 of the Companies Act, 2013, during financial year 2017-18, the 'Stakeholders Relationship Committee', which currently comprise of Mr. U.S. Kadam, Independent Director as Chairman, (Mr. G. R. K. Raju, Managing Director as member and Mr. Siva Sankar Kalive as member During the year under review, 4 (Five) meetings of the Stakeholders Relationship Committee were held on:-

1) 20th May, 2017

2) 12th February, 2018

Terms of reference

Terms of reference of the Stakeholders Relationship Committee is to supervise and ensure efficient transfer of equity and preference shares of the Company and proper and timely attendance of investors' grievances. Mrs. Sonika Kulhare , Company Secretary was the Compliance Officer of the Company till 30th November, 2017. Mrs. Shruti Gupta is the Compliance Officer w.e.f. 18.12.2017.

The terms of reference of the above Committee are as follows:

- a. To consider and approve transfer / transmission of shares, consolidation / split of share certificates and issuance of duplicate share certificates; etc.
- b. Redressal of shareholders'/investors' complaints relating to transfer, transmission, transposition, splitting, consolidation, dematerialization of shares, non receipt of annual reports etc. As on 31st March 2018, there were no pending requests for transfer of shares as per company's records.

d) Independent Directors Meeting

Constitution

In compliance with Regulation 25 of SEBI (LODR) Regulations 2015 the Independent Directors of the Company meet once on 14.08.2017 during the financial year 2017-18.

Terms of reference

The purpose of the above meeting are as follows:

- a. to review the performance of non-independent directors and the Board as a whole,
- b. to review the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors; and
- c. to assess the quality, quantity and timeliness of flow of information between the company management and the Board.

Details of number of requests received from investors and resolved as on the year ended March 31, 2018, are as under:

Nature of Correspondence	Received	Replied/Resolved	Pending
Request			
Stop Transfer/Procedure for Duplicate Share Certificate	1	1	0
Issue of Duplicate Share Certificate	1	1	0
Proc for Transmission/ Deletion Transposition	2	2	0
Stop Transfer Removal	0	0	0
Others Change of Address	2	2	0
Complaints	0	0	0
TOTAL Request/ Complaints	6	6	0

7. GENERAL MEETINGS

The 27th Annual General Meeting of the Company for the Financial Year 2017-18 will be held on Friday, 28th September, 2018 at 11.00 a.m. at Conference Hall, The President Hotel, 34/11, Erandwane, Prabhat Road, Pune – 411 004.

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed at these meetings are:

Particulars of AGM/EGM for the last three years:-

AGM/EGM	Date	Time	Venue	Number of special resolutions passed.
24th	26.09.2015	11.00 a.m.	Hotel Shangrila Gardens, Off Karve Road, Near Nal Stop, Pune – 411 004	Nil
25th	26.09.2016	11.00 a.m.	Hotel Shangrila Gardens, Off Karve Road, Near Nal Stop, Pune – 411 004	Nil
26th	26.09.2017	11.00 a.m.	Hotel Shangrila Gardens, Off Karve Road, Near Nal Stop, Pune – 411 004	3

All the above resolutions were passed with requisite majority.

No Special resolution was passed through Postal Ballot during the Financial Year 2017-18. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

8. Disclosures

The Vigil Mechanism Policy approved by the Board has been implemented and no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

There are no materially significant related party transactions between the Company and its promoters, directors or key management personnel or their relatives, having any potential conflict with interests of the Company at large. There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

Means of Communication

The Board of Directors of the Company approves and takes on record the quarterly unaudited financial results and announces the said results to the Stock Exchange Mumbai where the shares of the Company are listed. These quarterly unaudited results were also published in Free Press (English Edition) and Navshakti (Marathi Edition) news papers in the prescribed format as required by Regulation 47 of SEBI (LODR) Regulation 2015. Management discussion and analysis report is published in annual report. The Company followed statutory norms for dissemination of information in given period.

9. Shareholder General Information:**a) Forthcoming Annual General Meeting:**

Date & Time: 28th September, 2018 at 11.00 a.m.

Venue: Conference Hall, The President Hotel, 34/11, Erandwane, Prabhat Road, Pune – 411 004

b) Dates of Book Closure:

From : from 22rd September, 2018 to

28th September, 2018 (both days inclusive)

c) Financial Calendar of the Company relating to future immediate reporting:

The Financial year covers the period from 1st April 2017 to 31st March 2018.

Financial Reporting for:

Quarter ending 30 th June, 2017	By 14 th August, 2017
Half Year ending 30 th September, 2017	By 14 th November, 2017
Quarter ending 31 st December, 2017	By 12 th February, 2017
Year ending 31 st March, 18	By 25 th May, 2017
Annual General Meeting for the year ended March 31, 2018	August/September 2018/any extended period.

d) Face Value of the equity Share Rs. 10 per share.

e) Dividend Payment Details: N.A.

f) Dividend Payment Date N.A.

g) Listing on Stock Exchange & Stock Code:

Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	523732

Listing fees were paid for the year to the Bombay Stock Exchange. The ISIN Number of company on both NSDL & CDSL is INE 866A01016.

h) Market Price Data:

i) High/Low in each of month of the Financial Year April 2016 to March 2017 on Bombay Stock Exchange, Mumbai

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April 2017	5.40	5.15	October 2017	4.95	4.95
May 2017	5.51	5.40	November 2017	4.90	4.90
June 2017	5.10	5.10	December 2017	5.78	5.78
July 2017	5.05	5.05	January 2018	5.28	5.28
August 2017	5.00	5.00	February 2018	4.54	4.54
Sept. 2017	5.00	5.00	March 2018	4.40	4.40

j) Share Transfer System

The applications for transfer of shares and other requests from shareholders holding shares in physical form are processed by M/s Link Intime India Private Limited, Pune. Share Transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt if the documents are clear in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) within 15 days. Connectivity with NSDL & CDSL is maintained through M/s. Link Intime India Private Limited, Pune. The Board has delegated the power to approve transfers to the Share Transfer, Finance and Investors Grievance Committee.

k) Registrar and Share Transfer Agents:

M/s Link Intime India Private Limited Pune
 (Formerly 'Intime Spectrum Registry Limited)
 Block NO. 202, 2nd Floor Akshay Complex,
 Off Dhole Patil Road Pune – 411 001
 Tel. : (020) 26160084
 Telefax : (020) 26163503
 Web site : www.linkintime.co.in
 Email: pune@linktime.co.in

l) Address for the Correspondence

Registered office & Corporate Office of the Company:
 65/1A "Ecohouse" Akarshak Building Opp. Nal Stop,
 Off Karve Road, Pune- 411004
 Tel:020-41080800/ Fax(020)25465328
 E-mail : cs.ecoboard@gmail.com, rajugpk@gmail.com
 Website : www.ecoboard.in
 Compliance Officer – Mrs. Shruti Gupta

m) Bio System Division:

65/1A, ECOHOUSE
 "Akarshak Building" Opp Nal Stop
 Off Karve Road Pune- 411004.

Factory (Particle board division):

a) Village Velapur, Taluka Malshiras,
Dist-Solapur, Maharashtra

o) Shareholding Pattern as on 31st March 2018

Shareholders	Number of shares held	% Shareholding
CLEARING MEMBER	7455	0.04
OTHER BODIES CORPORATE	945476	5.3021
Foreign Inst. Investor	7800	0.0437
HINDU UNDIVIDED FAMILY	237027	1.3292
MARKET MAKER	4650	0.0261
NATIONALISED BANKS	1600	0.0090
NON NATIONALISED BANKS	300	0.0017
NON RESIDENT INDIANS	37586	0.2085
NON RESIDENT (NON REPATRIABLE)	10789	0.2108
OVERSEAS CORPORATE BODIES	250000	1.4020
PERSONS ACTING IN CONCERT	100400	0.5630
PUBLIC	6780687	38.0254
PROMOTERS	11051313	61.9746
TOTAL:	17832000	100.00

p) Distribution of Shareholding as on 31st March 2018

Shareholding of Distribution Slabs	No. of Share Holders	% to Total Share	No. of Share Held	% to Capital
1 - 5000	10570	88.3115	19256640	10.7989
5001 - 10000	741	6.1910	6276770	3.5199
10001 - 20000	296	2.4731	4688500	2.6293
20001 - 30000	113	0.9441	2920100	1.6376
30001 - 40000	46	0.3843	1634010	0.9163
40001 - 50000	51	0.4261	2461580	1.3804
50001 - 100000	72	0.6016	5738230	3.2179
100001 - Above	80	0.6684	135344170	75.8996
TOTAL:	11969	100.00	17832000	100.00

q) Dematerialization of Shares

The Company has signed agreements with both National Securities Depository Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) by virtue of which, 15789499 Equity shares of the Company forming 88.4577% of total share capital of the Company, have been dematerialized by on 31st March 2018.

***By Order of the Board of Directors,
FOR ECOBOARD INDUSTRIES LIMITED***

Place: Pune
Date: 14.08.2018

V. S. Raju.
Chairman
DIN: 00842835

S. R. SIDDHESHWAR & CO.
COMPANY SECRETARY
39/51, Aram Apartment, Lane No. 9, Prabhat Road, Erandwane, Pune, Maharashtra - 411004
Phone: (+9122) 2285 4274

Practicing CS's Certificate on Compliance of Corporate Governance

To the Members of Ecoboard Industries Limited

We have examined the compliance of conditions of Corporate Governance by Ecoboard Industries Limited (The Company), for the year ended March 31, 2018, as stipulated in Regulation 34 (3) read with Schedule IV of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the company has complied with most of the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 **S. R. SIDDHESHWAR & CO.**
Company Secretary

Place: Pune
Date: 24.08.2018

CS SAMEER SIDDHESHWAR
Proprietor
ACS: 41842
CP: 15564

**CERTIFICATION BY MANAGING DIRECTOR
(As per Regulation 17(8) of the SEBI (LODR) Regulation 2015)**

The Board of Directors
ECOB[®]BOARD INDUSTRIES LIMITED

As stipulated under Regulation 34(3) and Schedule V of the Listing Regulations, I hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) 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.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes, if any, in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been Disclosed in the notes to the financial statements; and
 - (iii) Instances of significant frauds of which I 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.

FOR ECOBOARD INDUSTRIES LIMITED

Place: Pune
Date: 14.08.2018

G. R. K. Raju
Managing Director
DIN: 01516984

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with the schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, I G.R.K. Raju, Managing Director of the Company, hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2018.

For and On Behalf of Board of Directors

Place: Pune
Date: .08.2018

G. R. K. Raju
Managing Director
DIN: 01516984

B.M. CHATURVEDI & CO.
CHARTERED ACCOUNTANTS
32, Jolly Maker Chamber, Nariman Point, MUMBAI 400 021
Phone: (+9122) 2285 4274

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOBOARD INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Ecoboard Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, including the statement of Other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and the statement of changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, and its loss including other comprehensive income, its cash flows and the statement of changes in Equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 27 to the financial statements relating to the uncertainty about the Going Concern assumption. The Company has accumulated losses in excess of its paid up capital and reserves. Its net worth has been fully eroded. The Company is incurring continuous losses for past few years. Production capacity utilisation is insignificant. Company is struggling to mobilise funds for its working capital. These conditions may indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated below:

- (i) Company has entered into Memorandum of Understanding for sale of its land and buildings at Jambhulwadi. Money raised from this sale may be available for reduction of bankers' dues and augmenting working capital funds of the Company and net worth of the Company.
- (ii) Company has given Debt Re-structuring/ Settlement proposals to banks which are under consideration of the banks.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11

of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30(b) to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts that may result in material foreseeable loss.
- (iii) Currently there are no amounts held by the Company that are required to be transferred to the Investor Education and Protection Fund hence we do not comment on the same.

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

Place: Pune
Date: 25.05.2018

B. M. Chaturvedi
Partner
ICAI M.N. 17607

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date on the financial statements of **Ecoboard Industries Limited** for the year ended 31st March 2018.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, except one office property situated at Ahmedabad which is yet to be registered in the name of the Company, title deeds of other immovable properties are held in the name of the Company.
2. According to the information given to us, physical verification of inventory was conducted by the management during the year at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories.
3. The Company has not granted any loans, secured and unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii)(a),(b) and (c) of the Order are not applicable.
4. The Company has not given loans, investments, guarantees and security. Accordingly, Paragraph 3(iv) of the Order is not applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. The provisions of Sections 73 to 76 of the Companies Act, 2013 and

the rules framed thereunder are not applicable.

6. We are informed that the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the Company's products.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company is not regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Value Added Tax, Service-tax, Goods and Service tax and other material statutory dues applicable to it and in many cases, payments were made after due dates. According to the information and explanations given to us, Tax deducted at Source of Rs.32.24 lakh, Service tax of Rs.26.01 lakh, Excise duty of Rs 1.87 lakh, Value Added Tax and Central Sales Tax of Rs. 130.42 lakh, Goods and Service tax of Rs. 12.59 and Provident Fund of Rs. 12.88 lakh were in arrears as at 31/03/2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, following amounts of duty were under dispute, hence not paid:

Nature Of Dues	Period	Amount Rs. in lakhs	Forum where the dispute is pending
Central Excise duty	2003-04	28.45	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2004-05	2.98	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2004-05	1.52	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2006-09	2.30	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2006-09	402.14	Commissioner of Central Excise (Appeals)
Central Excise duty	2009-10	13.19	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2008-10	343.99	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2010-13	207.60	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2012-14	77.00	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2012-14	28.97	Commissioner of Central Excise (Appeals)
Central Excise duty	2015-16	41.59	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2004-05	28.35	Custom, Excise & Service Tax Appellate Tribunal
Central Excise duty	2004-05	2.37	Commissioner of Central Excise (Appeals)
Central Sales tax	2006-07	63.27	Commissioner of Sales tax (Appeals)
Central Sales tax	2007-08	21.72	Sales tax Tribunal
Central Sales tax	2010-11	27.11	Jt. Commissioner of Sales tax (Appeals)
Central Sales tax	2011-12	61.79	Commissioner of Sales tax (Appeals)
Maharashtra Value Added Tax	2011-12	23.76	Commissioner of Sales tax (Appeals)
Central Sales tax	2012-13	24.24	Commissioner of Sales tax (Appeals)
Maharashtra Value Added Tax	2012-13	264.68	Commissioner of Sales tax (Appeals)
		1667.02	

8. According to the information and explanations given to us by the management, the Company has received Notice u/s 13 (2) of the Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 from one of its bankers namely, Bank of Maharashtra, recalling the loans of Rs. 1243.32 lakhs plus interest. In response to this notice, the Company has submitted loan re-structuring proposal to the bankers and the same is under consideration of the banks.

9. According to the information and explanation provided to us, Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/ provided managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V to the Companies Act 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable
13. According to the information and explanations given to us and based on our examination of records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to register under Section 45-IA of the Reserve Bank of India Act 1934.

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

B. M. Chaturvedi
Partner
ICAI M.N. 17607

Place: Pune
Date: 25.05.2018

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial Controls over financial reporting of **ECOBBOARD INDUSTRIES LIMITED** ('the Company') as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for the 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 as specified 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

Place: Pune
Date: 25.05.2018

B. M. Chaturvedi
Partner
ICAI M.N. 17607

BALANCE SHEET AS AT 31ST MARCH 2018

Rs. in Lakhs

	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
I NON-CURRENT ASSETS				
a. Property, Plant and Equipments	1	3,653.80	3,989.42	4,143.37
b. Intangible assets	1	0.00	0.00	0.00
c. Capital work in progress		<u>236.28</u>	<u>236.28</u>	<u>234.26</u>
		3,890.08	4,225.70	4,377.63
d. Financial Assets				
(i) Loan	2	40.36	39.57	25.27
e. Other non current assets	3	65.04	64.31	66.33
		3,995.48	4,329.58	4,469.23
II CURRENT ASSETS				
a. Inventories	4	1,442.61	1,619.11	1,771.60
b. Financial Assets				
(i) Trade receivables	5	130.48	284.12	304.84
(ii) Cash and cash equivalent	6	33.64	43.89	76.16
(iii) Loans	7	247.98	142.87	344.92
c. Non Current Assets held for sale	8	<u>205.48</u>	<u>0.00</u>	<u>0.00</u>
		2,060.19	2,089.99	2,497.52
		6,055.67	6,419.57	6,966.75
EQUITY AND LIABILITIES				
1. Equity:				
a. Equity Share Capital	9	1,783.20	1,783.20	1,783.20
b. Other Equity	10	(2,205.24)	(422.04)	(829.21)
			953.99	190.50
				1,973.70
2. Non-current Liabilities				
a. Financial Liabilities				
(i) Borrowings	11	1,452.97	1,312.72	1,298.92
b. Provisions	12	47.79	42.14	44.20
c. Other non current liabilities	13	34.84	35.99	47.20
		1,535.60	1,390.85	1,390.32
3. Current Liabilities				
a. Financial Liability				
(ii) Borrowings	14	3,000.30	2,895.38	2,599.48
(i) Trade payables	15	582.18	589.13	401.08
b. Other current liabilities	16	1,337.43	564.59	576.79
c. Provisions	17	22.20	25.63	25.38
		4,942.11	4,074.73	3,602.73
		6,055.67	6,419.57	6,966.75
Significant Accounting Policies	1			
Other Notes on Financial Statements	2 to 40			

As per our report of even date

For an on behalf of the Board of Directors

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

V. S. Raju
Chairman

G. R. K. Raju
Managing Director

B. M. Chaturvedi
Partner
ICAI M.N. 17607

U. S. Kadam
Directors

Sonika Kulhare
Company Secretary

Place: Pune

Date: 25.05.2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Rs. in Lakhs

	Note No.	For the Current Year ended 31/03/2018	For the Previous Year ended 31/03/2017
INCOME:			
Revenue from operations	18	883.21	1,633.84
Other income	19	18.53	41.20
Total revenue		<u>901.74</u>	<u>1,675.04</u>
EXPENDITURE:			
Cost of materials consumed	20	614.56	901.93
Changes in inventories of finished goods, work-in-progress	21	161.61	113.69
Employee benefits expense	22	198.53	225.11
Finance costs	23	636.27	435.64
Depreciation	1	122.68	147.19
Other expenses	24	555.41	887.16
		<u>2,289.06</u>	<u>2,710.72</u>
Profit / (Loss) before exceptional items and tax		(1,387.32)	(1,035.68)
Add/(Less): Exceptional items		0.00	0.00
Profit / (Loss) before tax		(1,387.32)	(1,035.68)
Less: Tax expenses			
Current tax		0.00	0.00
Profit / (Loss) for the period		<u>(1,387.32)</u>	<u>(1,035.68)</u>
Other Comprehensive Income			
Items that will not be classified into profit or loss		11.29	15.97
Income tax relating to items that will not be classified into Profit or loss		0.00	0.00
Items that will be classified into profit or loss		0.00	0.00
Income tax relating to items that will be classified into Profit or loss		0.00	0.00
Other Comprehensive income for the year (net of tax)		11.29	15.97
Total comprehensive income for the year		(1,376.03)	(1,019.71)
Earnings / (Loss) per Share (Rs.) - Basic	25		
From Continuing Operations:-			
-Basic		(7.72)	(5.72)
-Diluted		(7.72)	(5.72)
Significant Accounting Policies			
Other Notes on Financial Statements	1 to 40		

As per our report of even date

For an on behalf of the Board of Directors

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

V. S. Raju
Chairman

G. R. K. Raju
Managing Director

B. M. Chaturvedi
Partner
ICAI M.N. 17607

U. S. Kadam
Directors

Sonika Kulhare
Company Secretary

Place: Pune

Date: 25.05.2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018**A. EQUITY SHARE CAPITAL**

Rs. in Lakhs

Balance as at 1st April, 2016

Paid up Equity Share Capital 1783.20

Changes in Equity Share Capital during the year 0.00

Balance as at 31st March 2017 1783.20

Changes in Equity Share Capital during the year 0.00

Balance as at 31st March 2018 1783.20**B. OTHER EQUITY**

Rs. in Lakhs

	Capital reserve	Security premium	General reserve	Amalgamation reserve	IND AS transition reserve	Retained earnings	Total
Balance as at 1st April, 2016	21.31	2,618.78	2,526.06	0.30	2,540.68	(7,509.38)	197.75
Adjustment for Prior period expenses	0.00	0.00	0.00	0.00	0.00	(7.25)	(7.25)
Balance as at 1st April, 2016	21.31	2618.78	2526.06	0.30	2540.68	(7,516.63)	190.50
Add:-Profit/(loss) for the year	0.00	0.00	0.00	0.00	0.00	(996.21)	(996.21)
Depreciation	0.00	0.00	0.00	0.00	0.00	(30.75)	(30.75)
Prior period expenses	0.00	0.00	0.00	0.00	0.00	7.25	7.25
Balance as at 31st March 2017	21.31	2,618.78	2,526.06	0.30	2,540.68	(8,536.34)	(829.21)
Total Comprehensive income for the year	0.00	0.00	0.00	0.00	0.00	(1,376.03)	1,376.03
Balance as at 31st March 2018	21.31	2,618.78	2,526.06	0.30	2,540.68	(9,912.37)	(2,205.24)

As per our report of even date

For an on behalf of the Board of Directors

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

V. S. Raju
Chairman

G. R. K. Raju
Managing Director

B. M. Chaturvedi
Partner
ICAI M.N. 17607

U. S. Kadam
Directors

Sonika Kulhare
Company Secretary

Place: Pune

Date: 25.05.2018

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

Rs. in Lakhs

	Year ended 31.03.2018		Year ended 31.03.2017	
A. Cash flow from operating activities:				
Net profit before tax and extra-ordinary items		-1,387.32		-1,035.68
Adjustments for non cash expenses :-				
Depreciation	122.68		147.19	
Prior period expenses-reclassified	0.00		-7.25	
Other comprehensive income	11.29		15.97	
Provision for doubtful debts	62.67		-7.85	
Loss ons sale of fixed assets	4.99		0.00	
Provision for doubtful advances	0.05	201.68	192.96	341.02
Adustment for non operating incomes:-				
Profit on sale of fixed assets	0.00	0.00	-1.39	-1.39
Adjustment for expenses considered seperately:-				
Interest expenses	629.61	629.61	429.07	429.07
Operating profit before working capital changes		-556.03		-266.98
Adjustment for changes in working capital:-				
Change in inventories	176.50		152.49	
Change in debtors	90.97		28.57	
Change in other receivables	-106.68		-3.18	
Change in trade payables and other liabilities	487.12		200.70	
Change in customers deposits	-1.15	646.76	-11.21	367.37
Cash generated from operation		90.73		100.39
Direct taxes	0.00		0.00	
		0.00		0.00
Net cash from operating activities... A		90.73		100.39
B. Cash flow from investing activities				
Sale of assets		2.80		14.31
Advance agaist sale of property		281.00		0.00
Purchase of fixed assets (including capital work in progress)		-0.32		-8.18
Net cash used in investing activities...B		283.48		6.13
C. Cash flow from financing activities:				
Bank borrowings for working capital		-191.79		30.76
Loan from directors		156.69		245.56
Repayment of loan to directors		-16.44		-79.39
Repayment of intercorporate deposit		0.00		-152.37
Changes in margin deposit		13.37		4.10
Changes in dividend & refund account		0.00		19.42
Unpaid dividend transferred to Investor Education and Protection Fund		0.00		-19.42
Interest paid		-332.92		-163.93
Net cash from financing activities...C		-371.09		-115.27
Net cash from financing activities...C		-371.09		-115.27
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		3.12		-8.75
Cash & cash equivalents -Opening balance		16.87		25.62
Cash & cash equivalents -Closing balance		19.99		16.87
Note: (1) Figures in brackets represent cash outflow.				

As per our report of even date
For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

B. M. Chaturvedi
Partner
ICAI M.N. 17607
Place: Pune
Date: 25.05.2018

For an on behalf of the Board of Directors
V. S. Raju
Chairman

G. R. K. Raju
Managing Director

U. S. Kadam
Directors

Sonika Kulhare
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 31st March 2018**CORPORATE INFORMATION:**

Ecoboard Industries Limited was incorporated in India under the Provisions of the Companies Act 1956 on 20th November, 1991. It's a public limited company. The equity shares of the Company are listed on the Bombay Stock Exchange.

Ecoboard is engaged in 2 businesses. One is EPC business in the field of anaerobic waste water treatment systems for distillery, dairy and pharmaceutical industries.

The other business is production and sale of particle boards made of wood free agri residue. These boards are 100% wood free and are an alternative to conventional wood based particle boards, plywood and other panel products.

1. Significant Accounting Policies:

- i) These financial statements have been prepared in accordance with IND AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). In accordance with the notification issued by the Ministry of Corporate Affairs, the company has adopted Indian Accounting Standards (referred to as IND AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with Transition Date of April 1, 2016. The adoption was carried out in accordance with IND AS 101- First time adoption of Indian Accounting Standards. Accordingly, previous year's figures have been restated according to IND AS and the Company has presented a reconciliation of impact of transition from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to IND AS in the Shareholders' equity as at March 31, 2017 and as at April 1, 2016 and in the Comprehensive net income for the year ended March 31, 2017. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements have been prepared on accrual basis under historical cost convention except for certain assets and liabilities which have been measured at fair value amount. Assets and liabilities relating to long term projects/ contracts are classified as current/ non-current based on the individual life cycle of the respective project/ contract as the operating cycle. In case of pure supply contracts and other businesses, the operating cycle is considered as twelve months. Company's financial statements are presented in Indian Rupees, and values are rounded to the nearest lakh, except where otherwise indicated.
- ii) Use of estimates : The preparation of financial statements in conformity with Ind AS requires that the management of the company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans and fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known. The preparation of financial statements requires estimates and assumptions. Differences between the estimates and actual results are recognized in the period in which the same are known.
- iii) Property, Plant and Equipments :Property, Plant and Equipments are capitalised inclusive of legal and/or installation expenses.Pre-operative expenses (including interest charges) up to the date of start of commercial production are capitalised over the items of property, plants and equipments.
- iv) Depreciation: Depreciation on fixed assets is provided at the rates determined in accordance with the provisions of the Companies Act, 2013. Depreciation on tangible assets is provided on the straight line method as prescribed in Schedule II to the Companies Act, 2013 over the remaining useful life of the assets.
- v) Impairment of assets: An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use.
- vi) Inventories valuation:
 - (a) Stocks of raw-materials, packing materials, stores & spares are valued at cost.

- (b) Stock of work-in progress is valued at cost.
- (c) Finished goods are valued at lower of cost and net realisable value.
- vii) Foreign exchange transactions: Foreign exchange transactions are recorded at the exchange rate prevailing on the date of transaction. Exchange differences in respect of foreign currency transactions are dealt with in the profit & loss account, except in respect of capital assets. All foreign currency assets & liabilities, if any, as at the Balance Sheet date are restated at the applicable exchange rates prevailing on that date.
- viii) Sales & contract receipt:
 - a) Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts.
 - b) The Company uses Percentage Completion Method for accounting of EPC contracts. Percentage of work completed is determined by the expenditure incurred on the job till each reporting date to total expected expenditure on the project.
- ix) Insurance claims: Insurance claims for loss of assets or goods are accounted at the time of lodging of the claim with the insurer at the cost of assets/ goods lost. Any shortfall in the claim recovery is accounted for at the time of final settlement of the claim.
- x) Excise duty and Cenvat credits and Goods and Service tax: Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax(VAT) etc. have been replaced by GST. In accordance with Indian Accounting Standard-18 Revenue and Schedule III of the Companies Act, 2013, GST, VAT etc. are not included in Gross Revenue from Sale of products and services for applicable periods.
- xi) Value Added Tax (VAT) and input credits and Goods and Service Tax : Sales are stated exclusive of VAT and GST. Purchases (including those of capital goods) are stated inclusive of VAT and GST except to the extent such input tax is eligible for set-off. Reduction in set-off, if any, under the provisions of VAT laws is debited to VAT paid account.
- xii) Expenditures are shown net of recoveries.
- xiii) Retirement benefits:
 - (a) Contributions to provident fund, family pension fund are made to Government Provident fund authorities and are recognized as expense in the year they are incurred.
 - (b) Provision for leave encashment is made on the basis of actuarial valuation made at the end of each year/period.
 - (c) Provision for gratuity liability is made on the basis of actuarial valuation made at the end of each year/period
 - (d) For superannuation benefit, the Company makes defined contributions as per company's policy and recognizes such contributions as expense in the year they are incurred.

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

1. PROPERTY, PLANT AND EQUIPMENTS:

Particulars	GROSS BLOCK						DEPRECIATION						NET BLOCK			
	As at 01.04.16	Impact of IND As Transition	Additions	Deductions	As at 31.03.17	As at 31.03.18	As at 01.04.16	Written back 16-17	For the Year 16-17	Upto 31.03.17	Written back 17-18	On Assets held for sale	For the Year 17-18	Upto 31.03.18	As at 31.03.18	As at 31.03.17
Tangible Assets																
Freehold land	90.48	2,032.69	0.00	0.00	2,123.17	2,092.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,092.00	2,123.17
Leasehold land	0.23	0.00	0.00	0.00	0.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.23
Building	1,078.21	507.99	0.00	0.00	1,586.20	995.51	410.05	0.00	75.78	465.83	0.00	(414.09)	59.29	131.03	867.48	1,003.37
Plant & Machinery	5,833.99	0.00	5.33	(1.94)	5,837.38	5,816.88	5,065.08	(0.83)	61.21	5,125.46	(12.71)	0.00	58.64	5,171.39	645.49	711.92
Electrical installations	340.90	0.00	0.00	0.00	340.90	323.86	0.00	0.00	0.00	323.86	0.00	0.00	0.00	323.86	17.04	17.04
Furniture & Fixtures	104.41	0.00	0.00	0.00	104.41	104.67	96.93	0.00	0.49	97.42	0.00	0.00	0.47	97.89	6.78	6.99
Equipments	131.30	0.00	0.83	0.00	132.13	131.24	102.90	0.00	4.45	107.35	0.00	(0.48)	2.96	109.83	21.41	24.78
Vehicles	97.79	0.00	0.00	(31.95)	65.84	66.84	76.18	(20.14)	5.24	61.28	0.00	0.00	1.31	62.59	3.25	4.56
Tools & Patterns	5.82	0.00	0.00	0.00	5.82	5.82	5.44	0.00	0.02	5.46	0.00	0.00	0.01	5.47	0.35	0.36
GRAND TOTAL :	7,683.13	2,540.68	6.16	(33.89)	10,196.08	9,555.06	6,080.44	(20.97)	147.19	6,206.66	(12.71)	(414.57)	122.88	5,920.06	3,653.00	3,989.42
Previous Year	8,188.16	0.00	6.60	7.17	8,188.59	8,160.86	6,458.94	5.70	132.65	6,585.89	20.97	0.00	116.46	6,681.39	1,479.48	1,602.70

Notes:

- Conveyance for office building valued Rs. 7.03 lakh is pending execution.
- Depreciation on fixed assets is provided at the rates determined in accordance with the provisions of the Companies Act, 2013. Depreciation on tangible assets is provided on the straight line method as prescribed in Schedule II to the Companies Act, 2013 over the remaining useful life of the assets.
- Company have considered fair value of property, viz. Land and building with impact of Rs 2509.93 lakh (net of depreciation Rs 30.75 lakh) in accordance with stipulations of IND-AS with the resulting impact being accounted for in the reserves.

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
2. LOAN-NON CURRENT:		
Security deposits		
Secured, considered good	0.00	0.00
Unsecured		
Considered good		
to director	3.60	3.60
to others	36.76	35.97
	<u>40.36</u>	<u>39.57</u>
Doubtful	11.60	19.92
	<u>51.96</u>	<u>59.49</u>
Less: Provision for doubtful advances	11.60	19.92
	<u>40.36</u>	<u>39.57</u>
3. OTHER NON CURRENT ASSETS (Unsecured considered good)		
Capital Advances	65.04	64.31
	<u>65.04</u>	<u>64.31</u>
4. INVENTORIES		
Stores, spares and consumables	145.10	157.87
Packing material	0.58	0.64
Raw materials	63.48	65.53
Work-in-progress	244.52	248.74
Finished goods	1,291.92	1,449.32
	<u>1,745.60</u>	<u>1,922.10</u>
Less: Provision for loss in value of slow moving stock	302.99	302.99
Finished goods	<u>1442.61</u>	<u>1619.11</u>
5. TRADE RECEIVABLES		
Unsecured:		
Considered good	130.48	284.12
Considered doubtful	464.12	401.45
	<u>594.60</u>	<u>685.57</u>
Less: Provision for doubtful debts	464.12	401.45
	<u>130.48</u>	<u>284.12</u>
6. CASH AND BANK BALANCE		
<i>Cash and cash equivalents</i>		
Cash on hand	5.17	15.50
Balances with banks	14.82	1.37
	<u>19.99</u>	<u>16.87</u>
Other bank balances		
Balances in dividend and refund accounts	2.90	2.90
Fixed deposits with banks (given as margin money for issue of LCs)	10.75	24.12
	<u>33.64</u>	<u>43.89</u>

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
7. SHORT-TERM LOANS AND ADVANCES		
(Unsecured considered good unless otherwise stated)		
Advance for goods		
Considered good	88.44	36.65
Considered doubtful	79.45	86.93
	<u>167.89</u>	<u>123.58</u>
Less: Provision for doubtful loans and advances	79.45	86.93
	<u>88.44</u>	<u>36.65</u>
Prepaid expenses	0.82	1.81
Advance income tax	14.14	12.90
Deposits	0.00	17.58
Other Advances:		
Considered good	144.58	73.93
Considered doubtful	335.78	360.19
	<u>480.36</u>	<u>434.12</u>
Less: Provision for doubtful loans and advances	335.78	360.19
	<u>144.58</u>	<u>73.93</u>
	<u>247.98</u>	<u>142.87</u>
8. NON CURRENT ASSETS HELD FOR SALE	205.48	0.00

The Company has decided to dispose off/ sell its particle board plant including land and buildings situated at village Jambhulwadi, near Islampur in District Sangli. Production in this plant was discontinued in April 2010. Proposal was approved by shareholders on 8th February 2013. Plant and machinery and some of the movable assets of this Unit were sold during the year ended 31.03.2015. Efforts for sale of remaining immovable assets including land and building of this Unit are in progress.

Accordingly, As per Ind AS-105 "Non Current Assets Held for Sale and Discontinued Operations"; Land and building situated at Village Jambhulwadi, near Islampur in District Sangli, is classified as held for sale at its carrying amount of Rs 205.48 lakhs.

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

9. SHARE CAPITAL

	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Authorised:				
Equity Shares of Rs. 10 each	23,000,000	2,300.00	23,000,000	2,300.00
Preference Shares of Rs. 100 each	200,000	200.00	200,000	200.00
		2,500.00		2,500.00
Issued:				
Equity Shares of Rs. 10 each	17,832,000	1,783.20	17,832,000	1,783.20
Preference Shares of Rs. 100 each	0	0.00	0	0.00
		1,783.20		1,783.20
Subscribed and paid up:				
Equity Shares of Rs. 10 each, fully paid	17,832,000	1,783.20	17,832,000	1,783.20
Preference Shares of Rs. 100 each	0	0.00	0	0.00
		1,783.20		1,783.20

Rights, preferences and restrictions attached to shares

The Company has only one class of Equity shares. Each Share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share. Each share is entitled to dividend at the rate as may be declared by the Board and approved by the shareholders at the Annual General Meeting.

Details of shareholders holding more than 5% equity shares in the Company:

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding
1. Jayalakshmi Gottumukkala	3,307,414	18.55%	3,055,136	17.13%	2,885,941	16.18%
2. Ramakrishna Raju Gottumukkala	2,176,225	12.20%	2,176,225	12.20%	2,176,225	12.20%
3. Satyavathi Vegesna	1,172,736	6.58%	1,172,736	6.58%	1,172,736	6.58%
4. Venkata Sujani Indukari	1,170,553	6.56%	1,110,642	6.23%	952,807	5.34%

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
10. OTHER EQUITY		
Capital reserve	21.31	21.31
Amalgamation reserve	0.30	0.30
Securities premium	2,618.78	2,618.78
General Reserve	2,526.06	2,526.06
Ind AS Transition Reserve	2,540.68	2,540.68
Retained earnings	<u>(9,912.37)</u>	<u>(8536.34)</u>
Total Reserves and Surplus	<u>(2205.24)</u>	<u>(829.21)</u>
11. LONG TERM BORROWINGS		
<i>Secured:</i>	0.00	0.00
<i>Unsecured loans:</i>		
Intercorporate deposit	0.00	0.00
From directors	<u>1,452.97</u>	<u>1,312.72</u>
	1,452.97	1,312.72
No repayment date is stipulated for directors' deposit. However, it is agreed by the directors that the deposits shall not be repayable before 31/03/2019 or during the currency of bank loans whichever is later.		
12. LONG TERM PROVISIONS		
Provision for employee benefits	<u>47.79</u>	<u>42.14</u>
	47.79	42.14
13. OTHER LONG TERM LIABILITIES		
Trade deposits	<u>34.84</u>	<u>35.99</u>
	34.84	35.99
14. SHORT TERM BORROWINGS		
Loans repayable on demand (Secured):		
Cash credit facilities from banks-See Note 28 below	2,384.90	2,576.70
Interest accrued and due on cash credit facility	<u>615.40</u>	<u>318.68</u>
	3,000.30	2,895.38
15. TRADE PAYABLES		
Creditors for goods	<u>582.18</u>	<u>589.13</u>
	582.18	589.13

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
16. OTHER CURRENT LIABILITIES		
Income received in advance	13.63	33.32
Unpaid dividend	0.00	0.00
Other payables	85.14	87.17
Claims Payable	0.00	3.00
Customers' credit balances	458.79	75.88
Advance against sale of property	281.00	0.00
Employees related payables and contributions	156.73	115.14
Other liabilities	342.14	250.08
	1,337.43	564.59
 17. PROVISIONS		
Provision for employee benefits	22.20	25.63
	22.20	25.63
 18. REVENUE FROM OPERATIONS		
Sale of goods	886.10	1,559.21
Income from services	5.52	74.63
Other operating revenue	0.00	0.00
	891.62	1,633.84
Less Excise duty	8.41	0.00
	883.21	1,633.84
 Out of above:		
Revenue from Particle Board business	656.82	1,150.99
Revenue from Bio-gas Systems business	226.39	482.85
 19. OTHER INCOME - (NON OPERATING)		
Rent received	0.57	0.63
Insurance Claims	0.00	9.95
Profit on sale of assets	0.00	1.39
Sale of scrap	12.89	22.98
Sale of Compost	0.22	0.00
Foreign exchange translation difference	1.29	0.00
Interest received	1.04	2.25
Miscellaneous Income	1.78	0.25
Excess provision written back	0.74	3.10
Sundry balances written back	0.00	0.65
	18.53	41.20

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
20. COST OF MATERIALS		
Opening stock	65.53	74.47
Add: Purchases	612.51	892.99
Less: Sales	0.00	0.00
Less: Closing stock	<u>63.48</u>	<u>65.53</u>
	614.56	901.93
Out of above:		
Bagasse	312.22	372.96
Chemicals	138.71	190.52
Paper	74.18	118.33
Mild steel	0.00	0.00
Others	89.45	220.12
21. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Opening Stock:		
Finished goods	1,449.32	1,541.10
Work-in-progress	<u>248.74</u>	<u>270.65</u>
	1,698.06	1,811.75
Closing Stock:		
Finished goods	1,291.93	1,449.32
Work-in-progress	<u>244.52</u>	<u>248.74</u>
	1,536.45	1,698.06
Increase/(decrease) in stock	(161.61)	(113.69)
22. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	170.99	189.96
Contribution to Provident Fund	7.26	8.67
Gratuity	7.49	5.56
Super-annuation	4.84	5.30
Employees' PF administration charges	0.34	0.43
Workmen & staff welfare expenses	4.90	8.52
Unavailed leave / leave encashment	<u>2.71</u>	<u>6.67</u>
	198.53	225.11
23. FINANCIAL COSTS		
Interest on working capital finance	449.91	423.06
Others	179.70	6.01
Bank charges	<u>6.66</u>	<u>6.57</u>
	636.27	435.64

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

	As at 31.03.2018	As at 31.03.2017
24. OTHER EXPENSES		
Manufacturing Expenses		
Consumption of stores and spares parts	54.68	47.30
Power and fuel	142.60	189.02
Site and job work expenses	58.77	142.88
Excise duty on change in stock of finished goods	(5.45)	(2.08)
Repairs to buildings	0.82	6.95
Repairs to machinery	2.60	8.09
	<u>254.02</u>	<u>392.16</u>
Administration and Other Charges		
Directors remuneration	49.20	57.66
Directors sitting fees	0.65	0.70
Insurance	1.90	6.01
Rates and taxes	28.17	8.64
Rent paid	12.28	12.48
Postage & telephones	6.86	9.89
Travelling and conveyance expenses	35.30	41.61
Sundry expenses	42.49	61.33
Donations	0.38	0.20
Claims paid	0.00	8.77
Professional charges	9.53	5.39
Loss on sale of fixed assets	4.99	0.00
Payment to Auditors (including service-tax):		
Audit fees	5.50	6.33
Tax Audit fee	1.00	1.15
Certifications/Others	1.50	2.30
	8.00	9.78
Sundry balances written off	0.40	0.00
Provision/ loss on disposal of non moving stock	0.00	24.82
Provision made during the year for doubtful debts	62.67	(7.85)
Provision made during the year for doubtful advances	0.05	192.96
	<u>262.87</u>	<u>432.39</u>
Sales and Distribution Expenses		
Packing and forwarding expenses	30.34	51.33
Sales expenses	3.22	5.17
Discount and commission	4.96	6.11
	<u>38.52</u>	<u>62.61</u>
	555.41	887.16
25. COMPUTATION OF EARNINGS PER SHARE (EPS)		
From Continuing Operations		
Profit / (Loss) after tax (Rs. in lakhs)	(1,376.03)	(1,019.71)
No. of Equity Shares- Weighted average (in lakhs)	178.32	178.32
Earnings per share - (Face value- Rs. 10 per share):		
Basic (Rs.)	(7.72)	(5.72)
Diluted (Rs.)	(7.72)	(5.72)

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Rs. in Lakhs

ECOB[®]BOARD INDUSTRIES LIMITED**26. FIRST-TIME ADOPTION OF IND AS**

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. The Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101- First Time Adoption of Indian Accounting Standards. Reconciliation and description of the effect of transition from previous GAAP to IND AS on Reserves are provided below:

Reconciliation of Reserve between IND-AS and previous Indian GAAP as at 31st March 2017 Rs. in Lakhs

Nature of Adjustments	Reserve Reconciliation
Reserve as per previous Indian GAAP as on 01.04.2016	(2342.93)
Loss for financial year 2016-17	(996.21)
Other equity as at 31st March 2017	(3339.14)
Fair valuation as deemed cost for property	2540.68
Less:-Additional depreciation due to revaluation	(30.75)
Total	2509.93
Reserve as per IND-AS as at 31st March 2017	(829.21)

27. GOING CONCERN ASSUMPTION

The Company has accumulated losses in excess of its paid up capital and reserves. Its net worth has been fully eroded. The Company is incurring continuous losses for past few years. Production capacity utilisation is insignificant. Company is struggling to mobilise funds for its working capital. These conditions may indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated below:

- (i) Company has entered into Memorandum of Understanding for sale of its land and buildings at Jambhulwadi. Money raised from this sale may be available for reduction of bankers dues and augmenting working capital funds of the Company.
- (ii) Company has given Debt Re-structuring/ Settlement proposals to banks which are under consideration of the banks.

28. SECURITY CLAUSE:

- (i) Security:

Working capital loans from consortium of bankers are secured by first charge on the Company's current assets, present and future, including stocks, goods in process, goods in transit, receivables and book debts.

These loans are further secured by pari passu charge by joint equitable mortgage of immovable properties of the Company situated at village Jambhulwadi in district Sangli and at village Velapur in district Solapur in Maharashtra.

The above loans are further secured by personal guarantees of some of the Directors of the Company.

- (ii) Continuing defaults:

Interest aggregating Rs. 615.40 lakh (Previous year Rs 332.27 lakh) payable on short term borrowings from banks was in continuing default as on the balance sheet date.

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

29. DEFERRED TAX:

	2017 - 2018 (Rs. in lakhs)	2016 - 2017 (Rs. in lakhs)
Unabsorbed depreciation	1,134.97	1,148.70
Tax losses	1,253.03	930.39
Tax allowances u/s 43B/ 40(a)(ia)	94.22	99.69
Provisions for Trade Receivables and Advances	287.74	281.78
	<u>2,769.97</u>	<u>2,460.56</u>

On prudent basis, the Company has decided not to recognise deferred tax asset till the time there is reasonable probability of future taxable income.

30. CONTINGENT LIABILITIES:

	2017 - 2018 (Rs. in lakhs)	2016 - 2017 (Rs. in lakhs)
a) Estimated amount of capital Expenditure Commitments (Net of advances)	680.86	672.46
b) Claims against the Company not acknowledged as debt		
(i) Excise duty claims disputed in appeals (excluding interest)	1180.45	1158.05
(ii) MVAT/CST disputed in appeals (excluding interest)	486.57	0.00
(iii) Legal case against the company lodge by suppliers and traders (excluding interest where the amount is unascertainable)	44.15	86.80
c) Letters of credit and bank guarantees outstanding (net of margin deposits)	25.89	0.00

31. RELATED PARTY DISCLOSURES:

(in terms of Accounting Standard 18 issued by the Institute of Chartered Accountants of India)

(i) List of related parties:

Key management persons.	Mr. GRK Raju, Mr. GPK Raju and Mrs. I. V. Sujani
Relatives of key management persons.	Mrs. G. Jayalakshmi, Mr. P. Srinivas Raju, Mrs. Sitarama, Mrs. Srilakshmi Vegesna Raju, Mr. G.V.S. Raju, Mr. G.S.N. Raju
Associates- Companies/ firms in which key management persons are having control/ substantial interest.	Vesar Furnitek Pvt. Ltd., Venkataa Subbaraju Energy Limited, Vesar Supra Investment Pvt Ltd, Western Bio Vesar Furnitek Pvt Ltd., Western Bio Systems India Pvt Ltd, Jisnu Infra Ventures Pvt Ltd.

Related party relationships are as identified by the Company and are relied upon by the auditors.

(ii) Related party transactions:

<u>Nature of transaction</u>	2017 - 2018 (Rs. in lakhs)	2016 - 2017 (Rs. in lakhs)
Transactions with key management persons:		
Deposits taken	14.60	245.56
Deposits repaid	16.44	79.39
Deposit outstanding	1,452.97	1,312.72
Deposit taken u/s 160 of Company Act, 2013	0.00	1.00
Refund of deposit taken u/s 160 of Company Act, 2013	0.00	1.00
Remuneration paid	49.20	57.66
Contribution to PF	5.06	5.90
Interest paid	157.87	0.00
Rent paid	4.20	4.20
Rent deposits given	3.60	3.60

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

Advance for expenses receivable	0.00	0.94
<i>Transactions with relatives of key management persons-</i>	0.00	0.00
<i>Transactions with associates -</i>		
Purchases (Gross)	0.00	5.09
Sales (Gross)	0.00	7.32
Deposits repaid	0.00	152.37
Deposit taken u/s 160 of Company Act, 2013	0.00	3.00
Refund of deposit taken u/s 160 of Company Act, 2013	0.00	2.00
Outstanding Deposit taken u/s 160 of Company Act, 2013	1.00	1.00

32. SEGMENT RESULTS:

The Company has two reportable segments, namely, Particle Boards and Bio Systems. Select financial information relating to these segments is given below.

	2017 - 2018 (Rs. in lakhs)	2016 - 2017 (Rs. in lakhs)
<i>Revenue:</i>		
Particle Boards	656.82	1,150.99
Bio Systems	226.39	482.85
Total	883.21	1,633.84
<i>Profit before interest and tax:</i>		
Particle Boards	(831.51)	(559.89)
Bio Systems	80.46	165.83
Others	11.29	(166.51)
Total	(739.76)	(560.57)
Less:-Interest	636.27	435.64
Profit before tax	(1,376.03)	(996.21)
Less:- Income tax	0.00	0.00
Profit after tax	(1,376.03)	(996.21)
<i>Capital employed:</i>		
Segment assets less segment liabilities		
Particle Boards	(900.29)	(1,953.73)
Bio Systems	478.25	397.79
Total	(422.04)	(1,555.94)

33. CONSUMPTION OF IMPORTED/ INDIGENOUS ITEMS:

	2017 - 2018		2016 - 2017	
	Rs. in Lakh	% to total	Rs. in Lakh	% to total
<i>Materials-</i>				
Indigenous materials consumed	614.56	100.00%	902.49	100.00%
Imported materials consumed	0.00	0.00%	0.00	0.00%
	614.56		902.49	
<i>Stores & spares-</i>				
Indigenous items consumed	48.41	88.53%	38.16	80.68%
Imported items consumed	6.27	11.47%	9.14	19.32%
	54.68		47.30	

Notes Forming Part of The Financial Statements For the year ended 31st March, 2018

35. CIF VALUE OF IMPORTS:

	2017 - 2018 (Rs. in lakhs)	2016 - 2017 (Rs. in lakhs)
Capital goods	0.00	0.00
Consumables and Stores & spares	3.93	3.92
Total	3.93	3.92

36. EXPENDITURE IN FOREIGN CURRENCY: NIL (PREVIOUS YEAR RS. NIL)

37. EARNINGS IN FOREIGN CURRENCY:

There were no exports or earnings in foreign currency during the current or the previous year.

38. The Company is registered for a period of more than five years. Its accumulated losses at the end of the financial year were more than 50% of its net worth. The Company incurred cash losses during the current financial year and during the immediately preceding financial year.

39. There were no outstanding dues payable to micro, small and medium enterprises as on the balance sheet date. Classification of suppliers as micro, small and medium enterprises is done as per information provided by the supplier. No interest is paid/ payable during the year to such enterprises.

40. Balances of debtors, advances and creditors are subject to confirmation.

41. Previous year figures are reclassified/ regrouped, where required, to conform with current year presentation.

As per our report of even date

For **B. M. CHATURVEDI & CO.**
Chartered Accountants
ICAI FRN: 114317W

B. M. Chaturvedi
Partner
ICAI M.N. 17607

Place: Pune
Date: 25.05.2018

For an on behalf of the Board of Directors

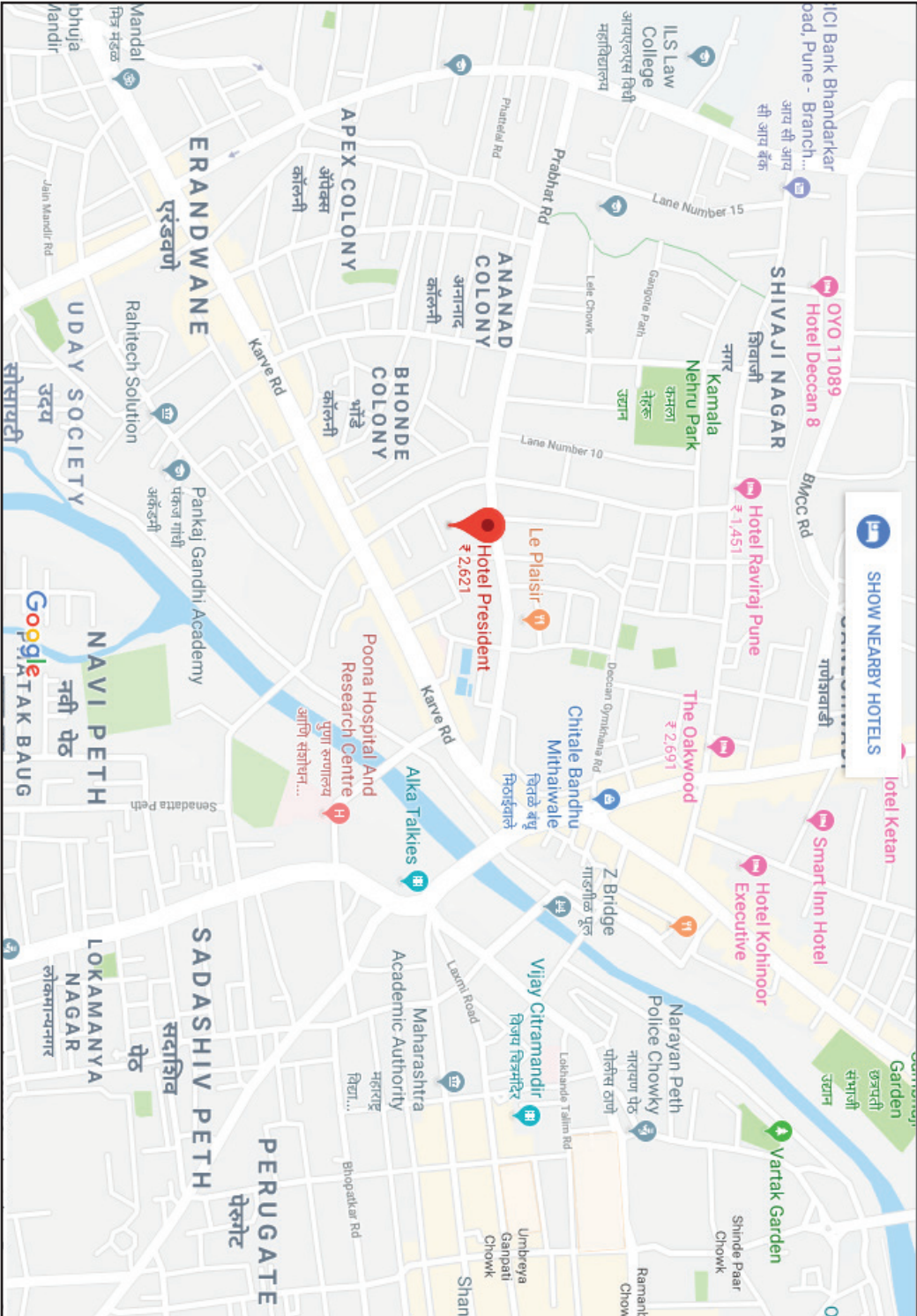
V. S. Raju
Chairman

U. S. Kadam
Directors

G. R. K. Raju
Managing Director

Sonika Kulhare
Company Secretary

Route Map for Annual General Meeting



<https://goo.gl/maps/MmZtpCAfHnx>

**Proxy Form
Form No. MGT-11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



ECOB[®]BOARD INDUSTRIES LIMITED

CIN: L24239MH1991PLC064087

65/1A, ECOHOUSE, AKRSHAK BUILDING OPP. NAL STOP, OFF KARVE ROAD PUNE MH 411004
 cs.ecoboard@gmail.com, rajugpk@gmail.com | www.ecoboard.in
 27th Annual General Meeting – Friday, September 28, 2018

Name of the Member(s) _____

Registered Address _____

Email _____

Folio No. / Client ID

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DP ID

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I/ We, being the member(s) ofshares of the above named
 company, hereby appoint Name:

Email:

Address:

Signature:..... or failing him/ her

I/ We, being the member(s) ofshares of the above named
 company, hereby appoint Name:

Email:

Address:

Signature:..... or failing him/ her

I/ We, being the member(s) ofshares of the above named
 company, hereby appoint Name:

Email:

Address:

Signature:..... or failing him/ her

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Friday , September 28 , 2018, at 11.00 a.m. IST, at the Conference Hall, The President Hotel, 34/11, Erandwane, Prabhat Road, Pune-411004. And at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business				
1	Adoption of Financial Statement as on 31.03.2018			
2	Appointment of Mr. V.S Raju (DIN: 00842835) & Mr. P.V.V Rama Raju(DIN:07464714) as a director liable to retire by rotation.			
3	Ractification of Appointment M/s B.M. Chaturvedi & Co. as Statutory Auditor			
Special Business				
4				
5				
6				

Signed this day of 2018

.....

Signature of member

.....

Signature of proxy holder(s)

Affix
revenue stamp
of not
less than
Rs. 1

Notes:

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 28, 2018 at 11 a.m. IST)
- It is optional to indicate your preference, if you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.