

Date: 25th June, 2024

**To,
The General Manager,
National Stock Exchange of India
Limited**

Exchange Plaza, C-I Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai 400051

NSE Symbol: MAHEPC

**The General Manager,
BSE Limited**

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai- 400 001

BSE Scrip Code: 523754

Subject: Annual Report for the financial year ended on 31st March 2024

Dear Sir/ Madam,

Please refer to our letter dated 4th June 2024, intimating that the 42nd Annual General Meeting of the Company will be held through Video Conferencing/Other Audio-Visual Means. In continuation of the aforesaid letter and pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year ended on 31st March, 2024 (which *inter alia* comprises the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024 and Report of the Board of Directors and Auditors Report thereon) along with Notice of 42nd Annual General Meeting (AGM) to be held on Friday, 19th July, 2024 at 3:30 p.m. through Video conferencing ("VC")/other audio-visual means ("OAVM"). The Company will provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means ("e-voting"). The e-voting communication giving instructions for e-voting have already been included in the AGM Notice.

The Annual Report including AGM Notice are being dispatched electronically to those Members whose email IDs are registered with the Company/Kfin Technologies Limited ('Registrar and Transfer Agents' of the Company) or the Depositories.

The Annual Report for financial year 2023-24 is also available on the website of the Company www.mahindrairrigation.com .

You are requested to take the above information on record.

Thanking You,

Very truly yours,

For Mahindra EPC Irrigation Limited

Ratnakar Nawghare
Company Secretary and Compliance Officer
Membership No: A8458

Place: Nashik

Mahindra EPC Irrigation Limited
42nd ANNUAL REPORT
2023-24

PROTECTED CULTIVATION

Research Greenhouses | Hydroponics | Nursery Solutions



HI-TECH PROJECTS (NFT)



COST EFFECTIVE SOLUTIONS



NATURALLY VENTILATED POLYHOUSE



COMPANY NAME

MAHINDRA EPC IRRIGATION LIMITED
(Formerly known as EPC Industrié Limited)

BOARD OF DIRECTORS

Mr. Shriprakash Shukla – Chairman
Mr. Ramesh Ramachandran – Managing Director
Mr. S. Durgashankar
Ms. Aruna Bhinge
Mr. Anand Daga
Dr. Sudhir Kumar Goel
Ms. Ami Goda
Mr. Viswanathan Kapilanandan

CHIEF EXECUTIVE OFFICER

Mr. Abhijit Page

CHIEF FINANCIAL OFFICER

Ms. Sunetra Ganesan

COMPANY SECRETARY

Mr. Ratnakar Nawghare

AUDITORS

B S R & Co. LLP, Chartered Accountants

BANKERS

ICICI Bank Ltd.
HDFC Bank Ltd.
YES Bank Ltd.

CORPORATE OFFICE

Plot No. H-109, MIDC, Ambad, Nashik-422 010.
Tel: (0253) 6642000
CIN: L25200MH1981PLC025731
E Mail : info@mahindrairrigation.com

REGISTERED OFFICE

Plot No. H-109, MIDC, Ambad, Nashik-422 010.
Tel: (0253) 6642000
E Mail : info@mahindrairrigation.com

BRANCHES

Coimbatore, Dharwad, Indore, Jaipur,
Nagpur, Raipur, Vadodara

REGISTRARS & TRANSFER AGENTS

Kfin Technologies Limited
Karvy Selenium, Tower B,
Plot No. 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad, Telangana-500032
Telephone number : +91 40 67161500/1509
E Mail : einward.ris@kfintech.com

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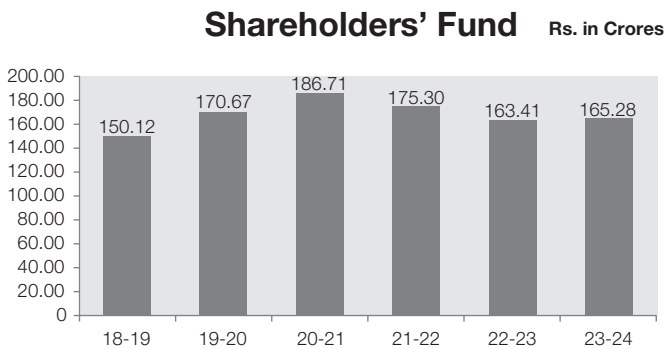
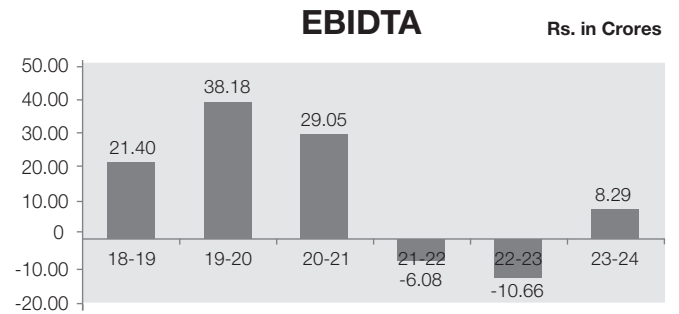
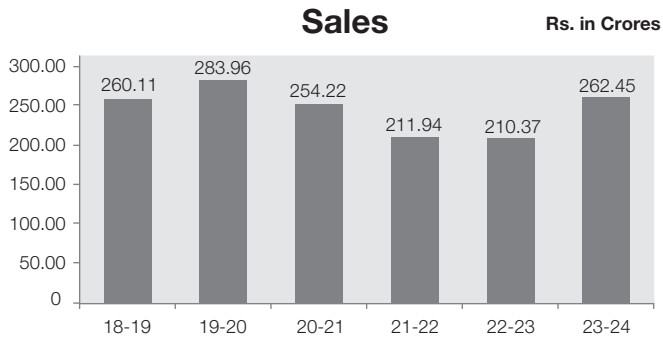
Independent Auditor's Report - Consolidated

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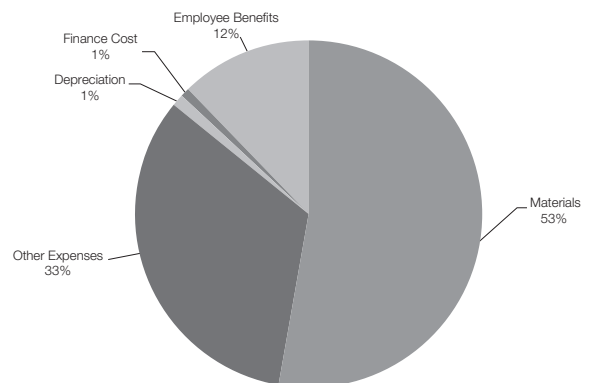
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Financial Highlights



Distribution of Income In %



Financial Highlights

	Rs. in Crores	
	2023-24	2022-23
Sales	262.45	210.37
Other Income	3.06	2.76
Total Revenue	265.51	213.13
Profit Before Tax	2.43	(15.96)
PBT as a % to Sales	0.93	(7.59)
Profit After Tax	1.67	(12.24)
PAT as % of Sales	0.64	(5.82)
Earning per Share (Rs.)		
Basic	0.60	(4.39)
Diluted	0.60	(4.39)

Working Results at a Glance

Year	Rs. in Crores					
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Sales	260.11	283.96	254.22	211.94	210.37	262.45
EBDITA	21.40	38.18	29.05	-6.08	-10.66	8.29
Interest	1.39	1.98	0.65	1.98	2.22	2.71
Depreciation	3.07	3.80	3.09	3.16	3.08	3.15
Profit Before Tax	16.94	32.40	25.31	-11.22	-15.96	2.43
Tax	5.50	9.11	6.11	-2.61	-3.72	0.76
Profit After Tax	11.44	23.29	19.19	-8.61	-12.24	1.67
Earning per Share (Rs.)	4.13	8.38	6.89	-3.09	-4.39	0.60

NOTICE

NOTICE is hereby given that the 42nd Annual General Meeting (“AGM”) of the Members of **MAHINDRA EPC IRRIGATION LIMITED** will be held at the Registered Office of the Company on Friday, 19th July, 2024 at 3:30 P.M. (IST) through Video Conference (VC)/ Other Audio-Visual Means (OAVM) facility to transact the businesses mentioned below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (along-with Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS

2. **Appointment of Mr. Viswanathan Kapilanandan as Non-Executive Independent Director**

To consider and, if thought fit, to pass the following as an **Special Resolution**:

“**RESOLVED** that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (‘the Act’), Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], and recommendation of the Nomination and Remuneration Committee and the Board of directors of the Company, Mr. Viswanathan Kapilanandan (DIN:00021159), who was appointed as an Additional Independent Non-Executive Director of the Company with effect from 4th June, 2024 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 4th June, 2024 to 3rd June, 2029.

RESOLVED FURTHER THAT any of the directors of the Company, be and are hereby authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, including seeking all necessary approvals to give effect to

this resolution and to settle any questions, difficulties or doubts that may arise in this regard and to file necessary E-Forms with Registrar of Companies.”

3. **Appointment of Ms. Ami Goda as Non-Executive Non-Independent Director**

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

“**RESOLVED** that pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013, The Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] and recommendation of the Nomination and Remuneration Committee and the Board of directors of the Company, Ms. Ami Goda (DIN: 09136149), who was appointed by the Board of Directors as an Additional Non-Executive Non-Independent Director of the Board of Directors of the Company, with effect from 4th June, 2024 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, being so eligible, be appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the directors of the Company, be and are hereby authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and to file necessary E-Forms with Registrar of Companies.”

4. **Retirement of Mr. S Durgashankar who retires by rotation at the conclusion of this meeting but does not seek re-appointment:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152(7) and other applicable provisions, if any, of the Companies Act, 2013 (including rules, notifications, any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) Mr. S Durgashankar (DIN: 00044713), a Director liable to

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retire by rotation, who does not seek re-appointment, be not re-appointed a Director of the Company.

RESOVED FURTHER THAT the vacancy, so created on the Board of Directors of the Company, be not filled.”

5. Ratification of Remuneration to Cost Auditors:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs. R C K & Company, Cost Accountants, Pune appointed as Cost Auditors by the Board of Directors of the Company, to audit the cost records of the Company for the financial year 2024-25, at a remuneration of Rs. 1.40 lakhs (Rupees One Lakh Forty Thousand Only) plus Goods and Services Tax and out of pocket expenses be and is hereby ratified.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

NOTES

1. The Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated April 08, 2020; Circular No.17/2020 dated April 13, 2020; Circular No. 20/2020 dated May 05, 2020; Circular No. 02/2021 dated January 13, 2021; Circular No. 19/2021 dated December 08, 2021; Circular No. 20/2021 dated December 12, 2021; Circular No. 21/2021 dated December 14, 2021; Circular No. 02/2022 dated May 5, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 (collectively referred to as “MCA Circulars”) permitted holding of the Annual General Meeting of companies through Video Conferencing or Other Audio- Visual Means (“VC / OAVM”), without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 (“the Act”) read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 42nd Annual General Meeting of the Company is being conducted through Video Conferencing (“VC”) (hereinafter referred to as “AGM” or “e-AGM”). In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with

Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM.

3. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (‘the Act’), relating to the Special Business to be transacted at this Annual General Meeting (‘AGM’), is annexed.
4. **E-AGM:** The Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.
5. The Company has appointed Mrs. Sujata Rajebahadur – Practising Company Secretary (Membership No. FCS 5728), as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Further, as per the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the e- AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate Shareholders (i.e., other than individuals / HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at cssujata.rajebahadur@gmail.com with a copy marked to rvnawghare@mahindrairrigation.com.
8. The Company’s Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin Technologies Limited having office at Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
9. **Attending e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform through the link: <https://emeetings.kfintech.com/> provided by KFin Technologies Limited by clicking “e-AGM - Video Conference & Streaming” and access the shareholders’/ members’ login by using the remote e-voting credentials which shall be provided as per Note No. 20 below. Kindly refer note no. 19 below for detailed instruction for participating in e-AGM through Video Conferencing.

10. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
11. As per the MCA Circular No. 14/2020 dated April 08, 2020; up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (i.e., Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
12. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for recording of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act; Rule 20 of the Companies (Management and Administration) Rules, 2014; Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Company's Registrar and Transfer Agent KFin Technologies Limited. Kindly refer Note no. 20 below for detailed instructions for remote e-voting.
14. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting may cast their vote during the e-AGM through the e-voting system provided by KFin Technologies Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note no. 25 below for instructions for e-voting during the AGM.
15. The Company has fixed 11th July, 2024 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the closure of business hours on cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.
16. The Register of Members and Transfer Book of the Company will be closed from 15th July, 2024 to 19th July, 2024 (both days inclusive).
17. In compliance with the aforesaid MCA Circulars, the Notice of the e-AGM along with the Annual Report for the financial year ended on 31st March, 2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.mahindrairrigation.com.
The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the same is also available on the website of KFin Technologies Limited at the website address <https://evoting.kfintech.com/>.
18. Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form)
 - i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Limited by sending an e-mail request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.
 - ii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.
19. Instructions to the Members for attending the e-AGM through Video Conference:
 - i. **Attending the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at <https://evoting.kfintech.com> by clicking 'e-AGM Video Conference and Streaming' and login by using the remote e-voting credentials. The link for e-AGM will be available in 'shareholders'/members' login where

the EVENT and the Name of the Company can be selected.

- ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-Voting in Note No. 20 below.
- iii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- iv. Further Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
- v. Please note that participants using Mobile Devices or Tablets or Laptops and are accessing the internet via "Mobile Hotspot" may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vi. **Submission of Questions / queries prior to e-AGM:**
 - a. Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e. rvnawghare@mahindairrigation.com at least 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members questions will be answered only if they continue to hold the shares as of the closing hours on cut-off date.
 - b. Alternatively, shareholders holding shares as on cut-off date may also visit <https://evoting.kfintech.com> and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e- AGM.
- vii. **Speaker Registration before e-AGM:** In addition to above speaker registration may also be allowed during the remote e-voting period. Shareholders who wish to register as speakers are requested to visit <https://evoting.kfintech.com> and click on 'Speaker Registration' during this period. Shareholders shall be provided with a 'queue number' before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question

Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker session; hence shareholders are encouraged to send their questions etc. in advance as provided in note no. 19(vi) above.

- viii. All documents referred to in the accompanying explanatory statement are available for inspection upto the date of the e-AGM on the website of the Company at the following weblink: <https://www.mahindairrigation.com>
 - ix. Members who wish to inspect, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to rvnawghare@mahindairrigation.com.
20. **Instructions for members for remote e-Voting:** In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Limited ('remote e-voting').
- Members attending the e-AGM who have not already cast their vote by remote e-Voting shall be able to cast their vote electronically during the meeting (e-voting) when window for e-voting is activated upon instructions of the Chairman.
- i. The remote e-voting facility will commence on Tuesday 16th July, 2024 at 9:00 a.m. and will end on Thursday 18th July, 2024 at 5:00 p.m. The e-voting facility shall be disabled by CDSL/NSDL for voting thereafter.
 - ii. Details of Website: <https://evoting.kfintech.com/>
 - iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being 11th July, 2024. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.
 - iv. The Company is dispatching the AGM Notice and the Annual Report to the shareholders via email whose name is recorded, as on the closure of business hours on 11th July, 2024, in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of

the Company and becomes Member of the Company post the closure of business hours on 11th July, 2024, being the date reckoned for the dispatch of the AGM Notice & Annual Report and who holds shares as on the cut-off date may obtain the User Id and password in the manner as mentioned below:

- a. If the mobile number of the Member is registered against Folio No./ DPID Client ID, the Member may send SMS:

MYEPWD 'e-Voting Event Number' + Folio number or DPID Client ID to +91- 9212993399

Example for NSDL: MYEPWDIN12345612345678

Example for CDSL: MYEPWD1402345612345678

Example for Physical: MYEPWDXXXX1234567890

- b. If e-mail address or mobile number of the Member is registered against Folio No. / DPID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.

- c. Any person holding shares in physical form and institutional shareholders, who acquire shares of the Company or becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he/she is already registered with KFinTech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

- d. Member may call KFin's Toll free number 1800 309 4001.

- v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Limited upon expiry of aforesaid period.
- vi. Details of persons to be contacted for issues relating to e-voting: Mr. Premkumar Maruturi , Manager - Corporate Registry, KFin Technologies Limited, Unit: Mahindra EPC Irrigation Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Contact No. 040-6716 1500/1509 Toll Free No.: 1800 309 4001, E-mail: premkumar.maruturi@kfintech.com
- vii. Procedure for Login for E-voting and Attending AGM through VC/OAVM for Individual Shareholders holding securities in Demat mode.

In terms of SEBI circular dated December 09, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in

Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts to access e-Voting facility.

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

Individual shareholders holding securities in Demat mode with National Securities Depository Limited ("NSDL")

- A. User already registered for IDeAS facility:

1. Open <https://eservices.nsdl.com>
2. Click on the "Beneficial Owner" icon under 'IDeAS' section.
3. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"
4. Click on Company Name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period.

- B. User not registered for IDeAS e-Services:

1. To register, open <https://eservices.nsdl.com> either on a Personal Computer or on a mobile.
2. Select "Register Online for IDeAS "Portal or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
3. Proceed with completing the required fields

- C. By visiting the e-Voting website of NSDL:

1. Open <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Click on the icon "Login" which is available under 'Shareholder/Member' section
3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.
4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.
5. Click on Bank name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited (“CDSL”)

- A. Existing user who has opted for Easi/Easiest
1. Click at <https://web.cdslindia.com/myeasinew/home/login/> or www.cdslindia.com
 2. Click on New System Myeasi.
 3. Login with user ID and Password
 4. After successful login of Easi / Easiest, Option will be made available to reach e-voting page
 5. Click on e-voting service provider name to cast your vote
- B. User not registered for Easi/Easiest
1. Option to register is available at <https://web.cdslindia.com/myeasinew/Registration/EasiRegistration/>
 2. Proceed with completing the required fields.
- C. By visiting the e-Voting website of CDSL:
1. Visit at www.cdslindia.com
 2. Provide Demat Account Number and PAN No.
 3. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account.
 4. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.

Individual Shareholders (holding securities in Demat mode) login through their depository participants You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.

Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Bank Name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
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Individual Shareholders holding securities in Demat mode with NSDL Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Individual Shareholders holding securities in Demat mode with CDSL Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-2305 8763/ 8738/ 8542/ 8543 or Toll free no. -1800 22 55 33

- i) Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.
 - i. Initial password is provided in the body of the e-mail.
 - ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
 - iii. Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
 - iv. After entering the correct details, click on LOGIN.
 - v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, the system will prompt you to select the EVENT i.e. XXXXXXXXXXXXXXXX.
 - viii. On the voting page, the number of shares (which represents the number of votes) held by you as on

the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at cssujata.rajebahadur@gmail.com with a copy marked to evoting@kfintech.com. and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BFL_EVENT No.'
- xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

A. Voting at e-AGM

- i. Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.
- ii. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.
- iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- iv. Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM,

shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

B. Instructions for members for attending the e-AGM

- i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected.
- ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.
- iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.
- iv. Members may join the meeting using headphones for better sound clarity.
- v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- vi. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab 'Speaker Registration' during the period starting from 16th July, 2024 (10.00 a.m.) up to 18th July, 2024 (5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.

- vii. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>, under the “How It Works” tab placed on top of the page.
- viii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

OTP Based Login:

Along with the User ID and Password option, shareholders can also use the “Registered Mobile with Folio” to login on the eMeeting webpage. If Mobile # is not registered with folio, you are requested to follow the instructions below.

1. For shareholders in demat mode, please reach out to your respective DP.
2. For Physical shareholders, kindly submit the ISR 1 form with the required documents with KFIN Technologies.

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through ‘In Person Verification’ (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or
 Name: KFIN Technologies Limited
 Address: Selenium Building, Tower-B,
 Plot No 31 & 32, Financial District, Nanakramguda,
 Serilingampally, Hyderabad, Rangareddy,
 Telangana India - 500 032.
- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

- i) Login method for e-Voting by Institutional shareholders (other than Individual shareholders) holding securities in demat mode and shareholders holding securities in physical mode.
 - (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
 - i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact

details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., "Mahindra EPC Irrigation Limited 42nd AGM" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id cssujata.rajebahadur@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link:

<https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

- ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

- I) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.
 - i. Members will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVENT of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

- ii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
 - iii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.
 - iv. The Scrutinizer's decision on the validity of the vote shall be final.
21. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the e-AGM, however such Member shall not be allowed to vote again during the e-AGM.
22. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 48 hours of conclusion of the e-AGM to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.
23. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., www.mahindrairrigation.com and on the website of KFin Technologies Limited i.e., <https://evoting.kfintech.com/>. The results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
24. The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the e-AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.
25. **Instructions for members for voting during the e-AGM session**
- i. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
 - ii. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
 - iii. Members/shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM. Members who have voted through Remote e-Voting will be eligible

to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

- iv. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

26. Pursuant to Securities & Exchange Board of India vide its circulars SEBI/HO/MIRSDMIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 it is mandatory for holders of physical securities to furnish valid PAN (where the PAN is linked with Aadhar), full KYC details (address proof, email address, mobile number, bank account details) and nomination (for all the eligible folios).

Freezing of Folios without valid PAN, KYC details, Nomination

- a. In case, any of the aforesaid documents/details are not available in a Folio, effective 1st April, 2023, the same have been frozen by RTA.
 - b. Similarly, in case the PAN(s) in a folio is/are not valid as on the cut-off date specified by The Central Board of Direct Taxes (CBDT) then also the folio shall be Frozen as above.
 - c. A member/claimant will be eligible to lodge grievance or avail service request from the RTA or eligible for any payment including dividend only after furnishing the complete documents or details as aforesaid.
 - d. In case the folio continues to remain frozen as on 31st December, 2025, the RTA/Company shall refer such frozen folios to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.
27. **Issuance of Securities in dematerialized form in case of Investor Service Requests**

We would further like to draw your attention to SEBI Notification dated 24th January, 2022 and SEBI Circular SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022. Accordingly, while processing service requests in relation to; 1) Issue of duplicate securities certificate; 2) Claim from Unclaimed Suspense Account; 3) Renewal / Exchange of securities certificate; 4) Endorsement; 5) Sub-division / Splitting of securities certificate; 6) Consolidation of securities certificates/folios; 7) Transmission and 8) Transposition, the Company shall issue securities only in dematerialised form. For processing any of the aforesaid service requests the securities holder/claimant shall submit duly filled up Form ISR-4.

28. We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrars & Transfer Agents i.e., M/s. KFin Technologies Limited:

Sr. No.	Particulars	Please furnish details in
1	PAN	Form No: ISR 1
2	Address with PIN code	
3	Email address	
4	Mobile Number	
5	Bank account details (Bank name and Branch, Bank account number, IFSC code)	
6	Demat Account Number	
7	Specimen Signature	Form No: ISR-2
8	Nomination details	Form No. SH-13
9	Declaration to opt out nomination	Form No. ISR-3
10	Cancellation or Variation of Nomination	Form No. SH-14
11	Request for issue of Securities in dematerialized form in case of below: <ul style="list-style-type: none"> i. Issue of duplicate securities certificate ii. Claim from Unclaimed Suspense Account iii. Renewal / Exchange of securities certificate iv. Endorsement v. Sub-division / Splitting of securities certificate vi. Consolidation of securities certificates/folios vii. Transmission viii. Transposition 	Form No: ISR-4

A member needs to submit Form ISR-1 for updating PAN and other KYC details to the RTA of the Company. Member may submit Form SH-13 to file Nomination. However, in case a Member do not wish to file nomination 'declaration to Opt-out' in Form ISR-3 shall be submitted.

In case of major mismatch in the signature of the members(s) as available in the folio with the RTA and the present signature or if the signature is not available with the RTA,

then the member(s) shall be required to furnish Banker's attestation of the signature as per Form ISR-2 along-with the documents specified therein. Hence, it is advisable that the members send the Form ISR-2 alongwith the Form ISR-1 for updating of the KYC Details or Nomination.

All the aforesaid forms can be downloaded from the website of the RTA at <https://ris.kfintech.com/clientservices/diy/>.

The Company had also dispatched a separate communication providing information to the holders of physical securities as above with the status of their respective KYC in record of Company/RTA in the month of June, 2022.

29. Mode of submission of form(s) and documents

a. Submitting Hard Copy through Post/ Courier etc.,

Members can forward the hard copies of duly filled-in and signed form(s) along with self-attested and dated copies of relevant documentary proofs as mentioned in the respective forms, to the following address:

KFin Technologies Limited,
Unit: Mahindra EPC Irrigation Limited
 Selenium Tower B, Plot 31-32, Gachibowli,
 Financial District, Nanakramguda, Hyderabad – 500 032

b. Through Electronic Mode with e-sign

In case members have registered their email address, they may send the scan soft copies of the form(s) along with the relevant documents, duly e-signed, from their registered email id to einward.ris@kfintech.com or upload KYC documents with e-sign on RTA's website at the link: <https://ris.kfintech.com/clientservices/diy/>.

c. Submitting Hard copy at the office of the RTA

The form(s) along-with copies of necessary documents can be submitted by the securities holder (s) / claimant (s) in person at RTA's office. For this, the securities holder/claimant should carry Original Documents against which copies thereof shall be verified by the authorised person of the RTA and copy (ies) of such documents with IPV stamping with date and initials shall be retained for processing.

Mandatory Self-attestation of the documents

Please note that, each page of the documents that are submitted in hard copy must be self-attested by the holder(s). In case the documents are submitted in electronic mode then the same should be furnished with e-sign of scan copies of the documents.

E-sign

E-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-Sign user. The holder/claimant may approach any of the empanelled e-Sign Service Provider, details of which are available on the website of Controller of Certifying Authorities (CCA), Ministry of Communications and Information Technology (<https://cca.gov.in/>) for the purpose of obtaining an e-sign.

30. The members holding shares in demat are requested to update with respective Depository Participant, changes, if any, in their registered addresses, mobile number, Bank Account details, e-mail address and nomination details.

31. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH. 13 duly filled in to M/s KFin Technologies Limited on einward.ris@kfintech.com. Members holding shares in demat form may contact their Depository Participant for availing this facility.

a. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS). Members wishing to avail of this facility are requested to intimate the Company's Registrar and Transfer Agents/Depository Participants in the prescribed form and with the prescribed details. Members located in the places where an ECS/NECS facility is not available may submit their bank details to the Registrar and Transfer Agents. This will enable the Company to incorporate this information on the dividend warrants/demand drafts and thus prevent fraudulent encashment. The members who are yet to update their PAN and/or Bank Account details are requested to update the same by providing the duly filled format for furnishing the PAN and Bank details which is enclosed at the end of Annual Report, along with all necessary documents as mentioned therein and send the same to KFin Technologies Limited.

b. Under the Companies Act, 2013 dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The amount as mentioned in the Financial Statement being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2024. Members, who have not encashed their dividend warrants so far in respect

of the aforesaid period, are requested to make their claim to KFinTech at the earliest.

c. **Updation of Members' Details:** The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Registrar and Transfer Agents to record additional details of Members, including their PAN details, e-mail address etc. Members holding shares in physical form are requested to submit these additional details to KFin Technologies Limited in the prescribed form. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

d. Members are requested to:

i. Intimate to KFin Technologies Limited at the address mentioned in Note No. 8 above, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;

ii. Intimate to the respective Depository Participant, changes, if any, in their registered addresses, mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) at an early date, in case of Shares held in dematerialised form;

iii. Quote their folio numbers/Client ID/DP ID in all correspondence; and

iv. Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

e. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company immediately of:

i. Change in their residential status on return to India for permanent settlement.

ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC code and address of the bank with pin code number, if not furnished earlier.

f. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member, as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

- g. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company as per the prescribed form which is enclosed at the end of Annual Report.
- h. SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
- i. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding to be provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Report on Corporate Governance forming part of the Annual Report.

None of the Directors of the Company seeking appointment or reappointment are inter-se related to each other.

By Order of the Board

Ratnakar Nawghare
Company Secretary
Membership No. A 8458

Registered Office:

Plot No. H-109, MIDC Ambad,
Nashik - 422010
Tel: (0253) 6642000

CIN: L25200MH1981PLC025731
e-mail: info@mahindrairrigation.com
website: www.mahindrairrigation.com

Place: Nashik
Date: 4th June, 2024

42nd Annual Report 2023-24

Explanatory Statement under Section 102(1) of the Companies Act, 2013

Item No. 2: Appointment of Mr. Viswanathan Kapilanandan as Non-Executive Independent Director

The Members are informed that on the recommendation of the Nomination and Remuneration Committee the Board of Directors have appointed Mr. Viswanathan Kapilanandan (DIN: 00021159), as an Additional Non-Executive, Independent Director, w.e.f. 4th June, 2024 for a period of five years from 4th June, 2024 to 3rd June, 2029. Mr. Kapilanandan Viswanathan has been instrumental in the conception and establishment of Krea University and is a member of its Governing Council. With a mission to prepare humanity for an unpredictable world, Krea University aims to re-imagine research and learning for the world of the future. The University is backed by a strong governing council, composed of distinguished leaders from academia and industry.

Mr. Kapil is also the President of the Institute for Financial Management and Research (IFMR), a 50-year old not-for-profit society, focused on education and research. IFMR is the sponsoring body of Krea University.

Previously, Mr. Kapil was the co-founder and co-CEO of Lumina Datamatics (erstwhile PreMedia Global), an ed-tech company employing over 2000 people across the US, Europe and India. Founded in 2005 and headquartered in Boston, the company grew rapidly to become the leading partner for global content companies such as McGraw Hill and Pearson Learning. The company's organic growth trajectory was bolstered by a Mergers and Acquisitions strategy, which culminated in the successful acquisition and integration of four US-based companies between 2005 and 2008. The Company was governed by a professional board of directors which included independent directors such as Tom Manning (former Chairman and CEO of Dun and Bradstreet) and Mukesh Aghi (former CEO of L&T Infotech). In 2014, the company merged with the content technology division of Mumbai-based Datamatics Global Services. After overseeing the integration of this merger, Kapil and his co-founder exited the business, 10 years after its founding. After the exit in 2016, Mr. Kapil dedicated himself to the philanthropic cause of starting Krea University.

Earlier in his career, Mr. Kapil worked in global sales for Tata Consultancy Services, spanning markets in Australia, Asia, UK and the US, and participated in the corporate think tank. He has served on corporate boards for the past 25 years. He is the Managing Director of Enfield Agrobases, a social enterprise focused on organic agriculture and rural development.

Mr. Kapil periodically contributes columns in leading newspapers, including a regular column in Mint, titled Learning 4.0, where he shares his thoughts on the future of learning and the future of business and work. Mr. Kapil has co-authored some of these columns with collaborators including Nobel-laureate Abhijit Banerjee (MIT), biotech entrepreneur Kiran Shaw (Biocon) and Stanford University's provost John Etchemendy.

Mr. Kapil holds an MBA degree from Harvard Business School and an MS in Management Science and Engineering from Stanford University. Mr. Kapil is a Director on the Boards of Entreaty Management Services Private Limited, Atal Incubation Centre Catalyst, Coimbatore Automobiles Private Limited, Chennai Two Wheelers Ltd., Dilsebol Customized Apparel Pvt. Ltd., Aura Finance and Holdings Pvt. Ltd., Matrix Agriculture Pvt. Ltd., Medhas Consultant Pvt. Ltd., Enfield Agrobases Limited and Mahindra HZPC Private Limited.

In the opinion of the Nomination and Remuneration Committee and the Board the appointment of Mr. Viswanathan Kapilanandan on the Board of the Company would be beneficial to the Company considering his vast experience. The Board noted that Mr. Kapil's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

Mr. Viswanathan Kapilanandan fulfills the criteria of independence as specified in the Companies Act, 2013. The disclosures under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2014 and Secretarial Standard-2, is provided at Annexure A of this Notice. The Company has also received notice from a Member under Section 160 of the Companies Act, 2013 proposing his re-appointment as a Director.

Mr. Kapil does not hold membership in any Board Committee.

The Board recommends the resolution as set out in the Notice for the approval of the Members of the Company as an Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Viswanathan Kapilanandan are in any way concerned or interested in the proposed resolution as set out in the Notice.

Annexure A

The disclosures under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2014 and Secretarial Standard-2 are provided herein below :

Age	44 years
Terms and Conditions of Appointment	As per the resolution set out at Item No. 2 of this Notice read with statement pursuant to Section 102 of the Act.
Remuneration last drawn (including sitting fees, if any) (FY2023-24)	Nil

Remuneration proposed to be paid	Sitting fees for attending the Board Meetings and Committee Meetings. A Commission of Rs. 5 lacs or 1% of Net Profit whichever is lower.
Date of first appointment on the Board	4 th June, 2024
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	Nil
Relationship with other Directors /Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company or its subsidiaries or associate companies
Number of meetings of the Board Attended	From the date of his appointment: Nil
Membership / Chairmanship of Committees of other Boards as on date of Notice	Nil
Listed entities from which the Director has resigned in the past three years	Nil

Item No. 3: Appointment of Ms. Ami Goda as Non-Executive Non-Independent Director

The Members are informed that on the recommendation of the Nomination and Remuneration Committee the Board of Directors has appointed Ms. Ami Goda (DIN: 09136149) as an Additional Non-Executive, Non-Independent Director, w.e.f. 4th June, 2024. Ms. Ami Goda has an extensive experience of 17 years primarily in Corporate Finance. She has held positions of responsibility in Business Finance, Commercial Finance, Supply chain Finance, Pricing, Deal structuring and Financial Planning. She has joined Mahindra & Mahindra Limited from General Electric (GE) where she was responsible for the \$1Bn Equipment and Services business for Onshore Wind Asia region. During her 14 years at GE, she has worked across multiple business segments - Financial services, Healthcare, Transportation, Renewables Onshore and across geographies - Asia, Growth markets and India. Ami is an MBA from Narsee Monjee Institute of Management Studies, Mumbai.

Currently she is working as a Chief Financial Officer at Mahindra & Mahindra Ltd., Farm Equipment Sector, Kandivali from 1st April 2023.

Ms. Ami Goda is a Director on the Boards M.I.T.R.A. Agro Equipments Private Limited, Mahindra Solarize Private Limited and Mahindra HZPC Private Limited and Chairman of the Audit Committee of Mahindra HZPC Private Limited.

In the opinion of the Nomination and Remuneration Committee and the Board the appointment of Ms. Ami Goda on the Board of the Company would be beneficial to the Company considering her vast experience. The Board noted that Ms. Ami's skills, background and experience are aligned to the role and capabilities identified by the Nomination and Remuneration Committee.

The Board recommends the resolution as set out in the Notice for the approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives, except Ms. Ami Goda are in any way concerned or interested in the proposed resolution as set out in the Notice.

The disclosures under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2014 and Secretarial Standard-2 are provided herein below:

Age	44 years
Terms and Conditions of Appointment	As per the resolution set out at Item No. 3 of this Notice read with statement pursuant to Section 102 of the Act.
Remuneration last drawn (including sitting fees, if any) (FY2023-24)	Nil
Remuneration proposed to be paid	Nil
Date of first appointment on the Board	4 th June, 2024
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	Nil
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company or its subsidiaries or associate companies
Number of meetings of the Board Attended	From the date of her appointment: Nil
Membership / Chairmanship of Committees of other Boards as on date of Notice	Chairman of Audit Committee of Mahindra HZPC Pvt. Ltd.,

Item No. 4 Retirement of Mr. S Durgashankar who retires by rotation at the conclusion of this meeting but does not seek re-appointment

Mr. S Durgashankar (DIN: 00044713) joined the Company's Board on 5th August, 2011 as a Non-Executive Director Non-Independent Director. He is also member of the Audit Committee, Nomination & Remuneration Committee, & Risk Management Committee of the Company.

In terms of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. S Durgashankar is due for retirement by rotation at this meeting. However, he has not offered himself for re-appointment, resulting in a vacancy on the Board and, the Board has resolved, subject to approval of Members, that the vacancy in the Board so created shall not be filled.

The Board places on record its sincere appreciation and recognition of the valuable contributions and services rendered by Mr. S Durgashankar (DIN: 00044713) during his tenure as a Director on the Board of the Company.

The Board recommends the resolution as set out in the Notice for the approval of the Members of the Company as an Ordinary Resolution.

Except Mr. S Durgashankar, none of the Directors or Key Managerial Personnel and their relatives is considered to be concerned or interested financially or otherwise, in the proposed Resolution as set out in the notice.

Item No. 5: Ratification of Remuneration to Cost Auditors

The Board of Directors, at its Meeting held on 23rd April, 2024, upon the recommendation of the Audit Committee, approved the appointment of M/s. R C K and Company, Cost Accountants having Firm Registration Number 002587, as Cost Auditors of the Company for the audit of the cost records of the Company, for the Financial Year ending 31st March, 2025, at a remuneration of Rs. 1.40 lakhs (Rupees One Lakh Forty Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses, if any).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), maintenance of cost records and audit thereof is applicable in respect of the Company's products of the Company.

The overall remuneration proposed to be paid to the Cost Auditors for the financial year ending 31st March 2025 is commensurate to the scope of the audit to be carried out by the Cost Auditors and is in line with the guidelines issued by the Institute of Cost Accountants of India.

M/s. R C K and Company, Cost Accountants, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959 and are free from any disqualifications specified under the provisions of the Act.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2025.

The Board recommends the Ordinary Resolution set out at in the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in of the Notice.

By Order of the Board

Ratnakar Nawghare
Company Secretary
Membership No. A 8458

Registered Office:

Plot No. H-109, MIDC Ambad,
Nashik - 422010
Tel: (0253) 6642000
CIN: L25200MH1981PLC025731
e-mail: info@mahindrairrigation.com
website: www.mahindrairrigation.com

Place: Nashik
Date: 4th June, 2024

DIRECTORS' REPORT

Your Directors are pleased to present the 42nd Annual Report on the business and operations of your Company along with the audited financial statements and accounts for the year ended 31st March, 2024.

FINANCIAL HIGHLIGHTS

Highlights for the financial year are as under:

(Amount in Rs. crore)

Particulars	For the Year ended on 31 st March, 2024	For the Year ended on 31 st March, 2023
Revenue from Operations	262.45	210.37
Other Income	3.06	2.76
Total Income	265.51	213.13
Profit/(loss) Before Interest, Depreciation & Tax	8.29	(10.66)
Finance Cost	2.71	2.22
Depreciation	3.15	3.08
Profit / (loss) Before Tax	2.43	(15.96)
Tax expense	0.76	(3.72)
Profit / (loss) After Tax	1.67	(12.24)
Other Comprehensive Income/ (loss) for the year	0.14	0.29
Profit for the year attributable to owners of the company	1.81	(11.95)

Operations and Financial Overview

During the year under review, your Company posted a Sales turnover of Rs. 262.45 Crores as against a total Sales turnover of Rs. 210.37 in the previous year registering a growth of 24.75% over the previous year.

The Company made a Profit/(Loss) before tax of Rs. 2.43 Crores for the year 2023-24 as compared to Rs. (15.96) Crores in the previous year. The Profit/(Loss) after tax was at Rs. 1.67 Crores as compared to Rs. (12.24) Crores in the previous year.

A detailed analysis of the operations and financial results of your Company during the year under review is included in the Management Discussion and Analysis, forming part of this Annual Report.

Nature of Business

The Company continues to be engaged in the activities pertaining to manufacturing, selling, processing, exporting, importing and dealing in irrigation pipes, irrigation systems, irrigation projects and providing agricultural services.

There has been no change in the nature of business of the Company during the period under review.

Dividend

Your Directors have not recommended any dividend for the year ended 31st March, 2024.

Unpaid Dividend & IEPF

The dividends that are unclaimed/unpaid for seven years shall be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government within the stipulated time period. However, the Company did not have any obligation to transfer funds to Investor Education and Protection Fund. Rs. 20.31 lakhs is lying in the unpaid dividend account of the Company as of 31st March, 2024.

Transfer to reserve

Your Company does not propose to transfer any amount to the General Reserve.

Consolidated Financial Statement

The Consolidated Financial Statements of the Company and its joint venture company prepared in accordance with the Companies Act, 2013 ("the Act") and applicable Accounting Standards along with all relevant documents and the Auditors' Report forms a part of this Annual Report.

Report on Performance of Joint Venture

Your Company entered into Joint Venture (JV) arrangement in F'19 with TOP Greenhouses Limited, Israel, to set up Mahindra Top Greenhouses Private Limited (MTGPL) for the protected cultivation business. The JV recorded a Sales Turnover in F-24 of Rs. 1.03 Cr in the full year of operation. The Company is incurring huge cost leading to financial viability or sustainability in the long run, accordingly, it has been decided to discontinue the operations of the JV. The Company will manage the protected cultivation products business on its own.

The details of Joint Ventures, during the period under review, is given in **Form AOC-1** and is attached and marked as **Annexure-X** and forms part of this Report.

Corporate Governance & Management Discussion and Analysis Report

Your Company believes that sound practices of good Corporate Governance, Transparency, Accountability, and Responsibility are the fundamental guiding principles for all decisions, transactions, and policy matters of the Company. A Report on Corporate Governance, along with a certificate from the Statutory Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "LODR Regulations") forms part of this Annual Report.

Further, the Management Discussion and Analysis Report for the year under review, as stipulated under LODR Regulations, forms part of this Report as **Annexure-I**.

Stock Options

The Nomination and Remuneration Committee of the Board of Directors, *inter alia*, administers and monitors the Employees Stock Option Scheme of the Company “the ESOS”. The ESOS is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and there have been no material changes in the said scheme during the year under review.

During the year under review, 25,204 nos. of Stock Options under the ESOS were exercised immediately after vesting. Accordingly, the Company made the allotment of 25,204 Equity Shares.

The particulars required to be disclosed pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are appended as “Annexure- II” to this Report.

Voting rights on the shares issued to employees under the ESOS are either exercised by them directly or through their appointed proxy.

Share Capital

During the year, with the allotment of 25,204 equity shares on exercise of Stock Options by employees, the total paid-up equity share capital of the Company increased from 2,78,87,604 equity shares of Rs. 10 each to 2,79,12,808 equity shares of Rs. 10 each. The said equity shares have been listed on the BSE Limited and National Stock Exchange of India Limited and all the shares rank *pari passu* with the existing equity shares in all respects.

Accordingly, the Paid-up Share Capital of the Company stood at Rs. 27,91,28,080 comprising of 2,79,12,808 equity shares of Rs. 10 each as of 31st March, 2024.

Holding Company

The promoters of the Company i.e., Mahindra and Mahindra Limited (“M & M”) hold 1,51,44,433 equity shares which represent 54.26% of the total paid-up capital of the Company. Your Company continues to be a subsidiary company of M & M. The Company has a JV with 60% holding.

Contracts and Arrangements with Related Parties

During the financial year, all contracts/arrangements/transactions entered by the Company with related parties were in the ordinary course of business and on an arms-length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on the materiality of related party transactions.

All related party transactions were placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval is also obtained from the Audit Committee for the related party transactions which cannot be foreseen

and accordingly, the required disclosures are made to the Committee on a quarterly basis for its approval.

The Company’s major related party transactions are generally with its holding and fellow subsidiaries or associate companies. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, and sales transactions through tenders or otherwise. All related party transactions are negotiated on an arms-length basis and are intended to promote the Company’s interests.

The Policy on the materiality of related party transactions and dealing with related party transactions as approved by the Board of Directors may be accessed on the Company’s website at the link: https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Policy_on_Materiality_and_Dealing_with_Related_Party_Transactions.pdf

The related party transactions have been set out in Note No. 29 to the financial statement.

Risk Management

The Company has constituted a Risk Management Committee comprising, Mr. Ramesh Ramachandran, Mr. S Durgashankar and Mr. Anand Daga. Mr. Ramesh Ramachandran is the Chairman of this Committee. The Company has adopted the Risk Management Policy. The Committee is entrusted with the responsibility to assist the Board of Directors in (a) overseeing and approving the Company’s enterprise-wide risk management framework; and (b) overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, sustainability (particularly, ESG related risks), information, cyber security risks and other risks have been identified and assessed.

There is an adequate mechanism in place for risks and uncertainties that can impact its ability to achieve its strategic objectives, risk assessment, risk mitigation and minimization procedures and periodical review.

Further, detailed terms of reference of the Risk Management Committee are included in the Report on Corporate Governance, which forms part of this Annual Report.

Industrial relations

The Company believes that sustainable growth can only be achieved in an organization which focuses on a performance culture and where employees are engaged and empowered to be the best they can be.

Employees at all levels have contributed to the performance of your Company. Your Directors place on record the Cooperation of employees during the year under report. The Directors also place on record the unstinted Cooperation extended by the staff members during the period under review.

Our mission is to protect and enhance the well-being of our employees, visitors, and other stakeholders. A safe work environment is non-negotiable, for which we follow strict safety standards in all our facilities. Our safety practices ensure all possible safety hazards are identified and eliminated, not only at the workplace but also during employees' travel. We promote holistic safety culture to improve safety beyond work.

The Management Discussion and Analysis Report gives an overview of the developments in Human Resources/Industrial Relations during the year.

Safety, Health and Environmental Performance

Your Company's commitment towards safety, health and the environment is being continuously enhanced and your Company encourages the involvement of all its employees in activities related to safety, including the promotion of safety standards. This is also demonstrated by the fact that there has been only one reportable incidence (Non-Fatal) of an accident in the last Nine years.

The Safety Committee, constituted for the same, regularly reviews the adherence to safety norms. Some of the programs undertaken by the Company include behaviour-based safety training, knowledge-based fire extinguisher training, fire-fighting training and safety awareness, etc.

Various health checkup programs for employees were regularly undertaken by the Company.

The requirements relating to various environmental legislations and environmental protection have been duly complied with by your Company.

Board and Committees

Directors

The following persons are the directors of the Company as on 31st March 2024:

Name of the Director	Designation
Mr. Shriprakash Shukla	Non-Executive Non-Independent Director
Mr. Ramesh Ramachandran	Executive Non-Independent Director
Mr. S. Durgashankar	Non-Executive Non-Independent Director
Mr. Anand Daga	Non-Executive Independent Director
Mr. Sudhir Kumar Goel	Non-Executive Independent Director
Mrs. Aruna Bhinge	Non-Executive Independent Director

Pursuant to the provisions of Section 152 of the Companies Act, 2013 (the "Act"), Mr. S. Durgashankar (DIN: 00044713) is liable to retire by rotation. Mr. S. Durgashankar has indicated that he is not desirous of seeking re-appointment at the ensuing Annual General Meeting of the Company and

hence, his office shall stand vacated with effect from the date of annual general meeting of the Company. Appropriate resolutions are included in the Notice of the ensuing Annual General Meeting. The Board has placed on record its deep appreciation of Mr. Durgashankar's significant contributions and valuable services during his long association with the Company.

Appointment / Re-appointment of Directors

Mr. Ashok Sharma

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 28th April, 2023 appointed Mr. Ashok Sharma (DIN: 02766679) as Managing Director for a further period of 3 years with effect from 1st October, 2023 on a consolidated remuneration of Rs. 45 lacs per annum. Subsequent to the appointment, Mr. Sharma resigned from the position of Managing Director on 31st August, 2023. The Board placed on record its deep appreciation of Mr. Sharma's immense contributions for the valuable services provided by Mr Ashok Sharma during his tenure.

Mr. Ramesh Ramachandran

Mr. Ramesh Ramachandran has been appointed as Managing Director of the Company with effect from 1st September, 2023 on a consolidated remuneration of Rs. 25 lacs per annum for a period of three years. The Shareholders have approved the appointment of Mr. Ramesh Ramachandran and remuneration payable to him by a postal ballot on 6th October, 2023.

Mr. Viswanathan Kapilanandan

Mr. Viswanathan Kapilanandan (DIN:00021159) has been appointed as an Additional Non-Executive Independent Director on the Board of Directors of the Company, with effect from 4th June, 2024, to hold office of Independent Directors for a term of 5 (Five) consecutive years commencing from 4th June, 2024 to 3rd June, 2029 (both days inclusive) subject to approval of members in the ensuing Annual General Meeting.

Ms. Ami Goda

Ms. Ami Goda (DIN: 09136149) has been appointed as an Additional Non-Executive Non-Independent Director on the Board of Directors of the Company, with effect from 4th June, 2024, to hold office upto ensuing Annual General Meeting and thereafter subject to the approval of the Members of the Company, as a Non-Executive Non Independent Director liable to retire by rotation.

Independent Directors

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, meets the criteria of

independence as specified in the Act and the SEBI LODR Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

The Independent Directors of the Company have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs, Manesar and have their name included in the databank of Independent Directors within the statutory timeline.

The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess the requisite expertise and experience required to fulfil their duties as Independent Directors.

The information required pursuant to Section 197(12) read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the "Rules of 2014") in respect of the ratio of remuneration of a director to the median remuneration of the employees of the Company for the financial year is annexed herewith and marked as **Annexure-III** to this Report. There are no employees drawing a remuneration as prescribed as per Rule 5(2) and (3) of the Rules of 2014.

During the year under review, the independent directors were not paid any Commission. For the year F'24 the commission of Rs. 2.43 Lacs is payable post approval of the Annual accounts by the shareholders.

Performance Evaluation of the Board

The Company has devised a Policy for the performance evaluation of independent directors, Board of Directors, Committees, and other individual Directors, which includes criteria for performance evaluation of the Non-Executive Directors and Executive Director.

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its performance and that of its Committees as well as the performance of the Directors individually. Feedback was sought by way of a structured questionnaire 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 and the evaluation was carried out based on responses received from the Directors.

The details of the programme for familiarization of independent directors with the Company, their roles, rights and responsibilities in the Company, the nature of the industry in which the Company operates, the business model of the Company and related matters are put up on the website of the Company. During the year, the independent directors of the Company met on April 28, 2023.

Your Company has adopted the following Policies which, inter alia, include criteria for determining qualifications, positive attributes, and independence of a Director. The following policies of the Company are annexed herewith and marked as **Annexure-IV** and **Annexure-V** respectively and forms part of this Report:

- a) Policy on Appointment of Directors and Senior Management and Succession Planning for Orderly Succession to the Board of Directors and the Senior Management.
- b) Policy for Remuneration of the Directors, Key Managerial Personnel, and other employees.

Meetings of the Board

Six meetings of the Board of Directors were held during the year. Details of attendance at meetings of the Board, its Committees and the AGM are included in the Report on Corporate Governance, which forms part of this Annual Report.

Committees of the Board

Your Company has duly constituted the Committees required under the Companies Act, 2013 read with applicable Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Committee

The Audit Committee comprises Independent Directors namely Mr. Anand Daga (Chairman), Mr. S Durgashankar and Dr. Sudhir Kumar Goel as other members.

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

CSR Committee

The CSR Committee comprises Mr. Ramesh Ramachandran (Chairman), Mr. S Durgashankar and Dr. Sudhir Kumar Goel as other members. The Board of Directors on 23rd April, 2024, dissolved the said Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Directors namely Mr. Anand Daga (Chairman), Mr. S. Durgashankar and Dr. Sudhir Kumar Goel as other members.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises Directors namely Dr. Sudhir Kumar Goel (Chairman), Mr. Ramesh Ramachandran and Ms. Aruna Bhinge as other members.

Risk Management Committee

The Risk Management Committee comprises Directors namely Mr. Ramesh Ramachandran (Chairman), Mr. S. Durgashankar and Mr. Anand Daga as other members.

Key Managerial Personnel (KMP)

In accordance with the provisions of Section 203 of the Act, the following persons have been designated as KMP of the Company as of 31st March 2023:

Name of the KMP	Designation
Mr. Ramesh Ramachandran	Managing Director
Mr. Abhijit Page	Chief Executive Officer (CEO)
Ms. Sunetra Ganesan	Chief Financial Officer (CFO)
Mr. Ratnakar Nawghare	Company Secretary (CS)

Directors' Responsibility Statement

Pursuant to section 134(5)(e) of the Act, your Directors, based on the representations received from the Operating Management, and after due enquiry, state that:

- in the preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as of 31st March, 2024 and of the profit/loss of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts on a 'going concern' basis.
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Business Responsibility and Sustainability Report

In terms of the amendment to regulation 34 (2) (f) of LODR Regulations vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021 which introduced new reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR) replacing the existing Business Responsibility Report (BRR) and in accordance with the circular no. SEBI/HO/CFD/CMD-

2/P/CIR/2021/562 issued by SEBI on May 10, 2021, which made reporting of BRSR mandatory for the top 1,000 listed companies (by market capitalization) from the financial year 2022-23, as a responsible corporate we are furnishing the BRSR for the F'24, despite being ranked in Top 2000 companies.

The BRSR of your Company for the financial year ended 31st March, 2024 forms part of this Annual Report as **Annexure-VI** required under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational goals and improving economic performance to ensure business continuity and rapid growth.

Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 and rules made thereunder, the Corporate Social Responsibility Committee ("CSR Committee") has formulated and recommended to the Board, a revised Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Corporate_Social_Responsibility_Policy.pdf

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.

The investments in CSR activities is project based and for every project, time frame and period milestones are set at the outset.

As the Average Net Profit of Company for the last preceding three years was negative, the Company was not required to allocate any amount for CSR activities for FY 2023-24.

The Annual Report on CSR activities is annexed herewith and marked as **Annexure-VII**.

Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder

The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules framed thereunder.

During the financial year under review, the Company did not receive any complaint of sexual harassment and no cases were filed under the POSH Act.

Vigil Mechanism/Whistle Blower policy

To ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a vigil mechanism policy. Whistle Blower or Complainant, under the said Policy, shall be entitled to direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. This policy is explained in the Report on Corporate Governance and posted on the website of the Company. During the year F'24 two complaints were reported and resolved.

Auditors and Auditor's Report

The Auditors, M/s. B S R & Co. LLP, Chartered Accountants, have been appointed as Statutory Auditors on the 39th Annual General Meeting of the Company for a period of 5 years i.e. from the conclusion of the 39th AGM till the conclusion of the 44th AGM to be held in 2026. The Auditors' Report is unmodified i.e. it does not contain any modification, reservation or adverse remark or disclaimer except for the modification pertaining to maintenance of audit trail at database level.

Cost Auditors

The cost accounting records of the Company are maintained and the Company had filed the Cost Audit Report as per the Companies (Cost Accounting Records) Rules, 2011 prescribed under Section 148 (6) of the Act, and Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014 pertaining to the financial year 2023-24 before the due date of filing.

Pursuant to section 148 of the Act, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. R C K & Company, Cost Accountants, as the Cost Auditors of the Company for the financial year 2024-25. M/s R C K & Company have confirmed that their appointment is within the limits of section 139 of the Act and have also certified that they are free from any disqualification specified under sections 141(3) and 148(5) of the Act.

The Audit Committee has also received a Certificate from the Cost Auditor certifying their independence and arms-length relationship with the Company.

The Directors recommend the remuneration payable to the Cost Auditors of the Company for the year 2024-25. The approval from shareholders for the remuneration payable to the Cost Auditors is being sought at the ensuing Annual General Meeting.

Secretarial Auditors

Provisions of Section 204 of the Companies Act, 2013 read with the Rules framed thereunder, mandates obtaining Secretarial Audit Report from Practicing Company Secretary. The Board has appointed M/s. MMJB & Associates LLP, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial year 2023-24.

The Secretarial Audit Report issued by MMJB & Associates LLP, Practicing Company Secretaries for the financial year ended on 31st March, 2024 in Form MR-3 is annexed herewith and marked as **Annexure IX** to this Report. The Secretarial Audit Report does not contain any qualification, observation, reservation or adverse remarks or disclaimer requiring explanation.

Internal Control Systems And Their Adequacy

The Company has designed a proper and adequate internal control system to ensure adherence to Company's policies, safeguarding of its assets, prevention and detection of fraud, errors and accuracy and completeness of accounting records.

The Internal Auditors routinely conduct system check and audit and give their report after evaluation of the efficacy and adequacy of internal control system including controls with respects to the financial statements, its compliance with operating systems, accounting procedures and policies in the Company. Based on the report of Internal Audit the departments undertake corrective action in their respective areas and thereby strengthen the controls. The significant audit observations and corrective actions thereon are presented to the Audit Committee.

Public Deposits & Loans/Advances

Your Company has not accepted any deposits during the year under review. There were no unclaimed/unpaid deposits and unclaimed/ unpaid interest warrants outstanding as of 31st March, 2024. Your Company has neither made any loans or advances nor provided any guarantees or securities or made any investments which are required to be disclosed in the Annual Accounts of the Company.

Energy Conservation and Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under sub-section (3)(m) of Section 134 of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are annexed herewith and marked as **Annexure-VIII** to this Report.

DISCLOSURES:

Compliance with the provisions of Secretarial Standard 1 and Secretarial Standard 2

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards, i.e., SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings" respectively.

Annual Return

Pursuant to Sub-section 3(a) of Section 134 and Sub-section (3) of Section 92 of the Companies Act, 2013, the copy of the Annual Return of the Company as of 31st March, 2024 is placed on the website of the company at the following web address: <https://www.mahindrairrigation.com/wp-content/uploads/2024/06/MGT-7.pdf>

Dividend Distribution Policy

Pursuant to regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a dividend distribution policy which became effective from 1st April, 2021 stipulating factors to be considered in case of declaration of Dividend.

The same has also been hosted on the website of the Company and is accessible at the web link: https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Dividend_Distribution_Policy.pdf

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
5. There were no frauds reported by auditors (including Secretarial and Cost auditor) to the Audit Committee or Board and not reported to the Central Government.
6. There were no material changes and commitments, if any, affecting the financial position of the Company which occurred between the end of the financial year and the date of this Report.
7. No application has been made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
8. Any one-time settlement and valuation were not done while taking loans from Banks or Financial Institutions.

Particulars of Employees

No employee was in receipt of remuneration as required under Section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of top ten employees in terms of remuneration drawn as on 31st March, 2024 are available on your Company's website and can be accessed at the weblink : <https://www.mahindrairrigation.com/wp-content/uploads/2024/06/Details-of-employees-under-Sec.-197-of-the-Companies-Act-2013.pdf>.

Acknowledgements

Your Directors take this opportunity to place on record their sincere appreciation for the cooperation and continued support received from customers, vendors, suppliers, bankers, business associates and shareholders.

For and on behalf of the Board

Anand Daga **Ramesh Ramachandran**
Director Managing Director

Place : Nashik
Dated: 4th June, 2024

ANNEXURE I TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Company Profile

Mahindra EPC Irrigation Limited, one of the pioneers of Micro Irrigation in India (Since 1986), enables farmers to *Rise* through Sustainable Precision Farming Solutions in the space of Micro Irrigation, Water Management, Automation, Community Irrigation and Protected Cultivation.

Mahindra EPC Irrigation Limited (Mahindra EPC), formerly known as EPC Industrié Limited is a part of Mahindra Agriculture Business. In order to have better synergies, the Mahindra Agriculture business and thus Mahindra EPC has moved under Mahindra and Mahindra Limited's Farm Equipment Sector.

Mahindra EPC responsibly carries the legacy of over 75-Year-old Diverse Mahindra Group. We work for 'Driving Positive Change in the lives of our community' and believe in 'Only when we enable others to *Rise* will we *Rise*' #TogetherWeRise'.

Mahindra EPC is known for its quality and its ability to provide customized end to end Irrigation and Water Management solutions to individual farmers as well as communities. This is made possible through the Company's Pan India presence, Synergies with Mahindra Group, Technical Expertise, Superior Manufacturing Facilities, Wide range of Quality Products as well as Highly Qualified and Capable team. To be closer to our customers, we have set up multi-locational manufacturing facilities in India. Further the Company is also known for its Quality Services in the space of Planning, Design, Installation, Agronomy, After sales Services – In person as well as through Digital delivery. Working over the last few years, we have successfully proved application of Drip Technology on even Non-Traditional Crops such as Paddy. It is our constant endeavour to innovate our products, services as well as solution delivery approach.

Mahindra EPC is registered in all major states of India under the Per Drop More Crop scheme (PDMC) of the Government of India (GoI) for subsidy program, which is ably supported by respective State Governments. To deliver on various solutions under this program, Mahindra EPC has a strong network of over 1000 channel partners which is supported by its branch offices across India.

In recent years Mahindra EPC has moved beyond India to the African Continent through its channel partners and have executed a few irrigation projects.

In our Protected Cultivation Solutions business, we have conceptualised, designed, and delivered, innovative and profitable solutions to hundreds of small and marginal farmers in addition to our core competency of High-end Technology Solutions.

As a responsible corporate, we are aligned to Sustainability Commitments, have signed up for Science Based Targets and are committed to a Carbon Neutrality road map.

Overview:

Agriculture continues to be a significant contributor to Indian Economy. Though for the year 2023-24, the Ministry of Statistics & Programme Implementation has projected a 1.8% growth for Agriculture Sector which is lower compared to previous years' (F'21 – F'23) range bound growth of about 4%. According to the estimates, released by the Ministry of Statistics & Programme Implementation (MoSPI), the GVA of agriculture and allied sectors was 20.1% in 2020-21, 19% in 2021-22, 18.3% in 2022-23 and it has further come down to 17.8% LE 2023-24. This to some extent is on account of improvements in other sectors. However, Agriculture continues to be a major sector for India's growth and sustenance.

As we know the most critical resource for agriculture is water. The agriculture sector accounts for 70% of freshwater withdrawals as per World Resources Institute (WRI) whereas as per Central Water Commission, in India, the figure is a whopping 80% for the agriculture sector with just 7% for industries and power generation, 6% for domestic use and 7% for other use. Further, the water requirement by 2050 is expected to be 1,180 billion cubic meters (BCM), while the total availability of water in the country from all available sources is going to be lower than this projected demand, at around 1,123 BCM, thus we are staring at a shortage of approx. 57 BCM in 2050. To survive, feed the increasing population and ensure the success of growth-contributing programs such as 'Make in India', the only solution is to improve the water use efficiency and the major contribution must come from the Agriculture sector.

Thus, the growth story of Indian economy in general and Agriculture in particular will remain a challenge without Micro Irrigation. Micro Irrigation addresses issues such as Water use efficiency, Productivity and Farmer income improvement, which aligns with Hon. Prime Ministers vision of doubling farmer income. Various studies have proved that Micro irrigation benefits the farmer by saving cost such as Fertiliser, Labour and Electricity in the range of 20-30% while improving the productivity by 30-40%. Over the last few decades, continued irrigation through traditional practices has begun to show its ill effects on groundwater quality and availability, soil health, crop productivity and cost economics of farming practices. This calls for Surface water use efficiency improvement too, which is incomplete without 'on farm water management', making Micro Irrigation critical which currently has only about 15% penetration out of a 70 billion Hectare potential.

Recognizing the importance of Micro Irrigation and its ability to improve productivity, the Government of India (GoI) identifies Micro Irrigation as one of the key tools to double farmer Income. Though this is very encouraging, the funding from State Governments is equally important. As major part of the subsidy is controlled by state, various critical aspects of the scheme such as pricing decision, are taken by state Governments whereas, GoI issues guidelines and defines boundary conditions such as the Unit cost norms.

Industry Structure and Developments

The Micro Irrigation System (MIS) Industry in India has been broadly segmented based on types of micro irrigation systems (drip and sprinkler irrigation systems), applications of micro irrigation systems and with or without subsidy assistance. The subsidy business has been further segmented basis the approach of solution delivery and subsidy disbursement into the project market and open market. Project markets being the ones where the Company directly supplies and installs the solution at Farmers' field against the work orders received from the State Nodal Agency, whereas open markets are the states in which the Company's solutions reach to farmers through its dealers and farmer claims the subsidy directly.

In the recent past the Industry has been subdued with a steep drop in F'21 v/s F'20 and then a slow revival in F'22 and F'23, still with a negative CAGR for F'20 to F'23. From F'23 H2 onwards, as few major states revived and the price increase was operationalised, the Industry started showing better growth rate. The growth trend continued in F'24 and the Industry is likely to grow by 7-9% and may resume its F'20 levels (All growth number are based on Industry Coverage data in Hectares published on official portal). This is on account of major markets such as AP, Karnataka, TN and Gujarat being active for a substantial part of the year. While few major states contributed positively, Maharashtra demand was constrained on account of skewed rainfall as well as delayed fund disbursements compared to F'23.

For a significant part of the year F'24 the raw material prices were stable and softer compared to the previous financial year. Riding on this the industry witnessed a better year and to note, the coverage of Micro Irrigation in F'24 is likely to be around 11.8 Lakhs Hectares, v/s 11 Lakh hectares of F'22. The industry is estimated to have done better in H1 of F'24 on the top line. A major state like AP got activated early in Q1 F'24 and had a positive impact on the industry numbers. Early this year Micro Irrigation project 'Per Drop More Crop' (PDMC) got shifted from 'Pradhan Mantri Krishi Sinchayi Yojna (PMKSY)' to 'Rashtriya Krishi Vikas Yojana (RKVY)'. Though difficult to predict, in the long run this may prove to be beneficial, but in the current context the industry faces certain procedural challenges. In F'24, the industry also

faced challenges of delayed collection from certain major contributing states, making it a play of individual Company's risk appetite. This has led to increased receivable days for many players.

The profitability of the Industry is primarily driven by the Prices from State Governments and the Raw Material Prices which is the largest contributor to input costs. As mentioned earlier the raw material prices softened and the price increase effect that flowed in from H2 F'23 from states other than Karnataka, which too made Price increase operationalised in F'24. To note, the price increase so far made effective for every state has still not covered the increased input costs in entirety.

Based on the coverage in Hectares published by the GoI, a new trend is emerging in last couple of years showing, higher rate of industry growth in Northern and Eastern states compared to traditional states in Central and South India.

Further, as we look at the various key states, the stable policy states like Maharashtra, Gujarat, and Tamil Nadu are likely to continue their contribution in F'25, in addition to this States like AP, and Telangana show a promise, though in their limited capacities. It is also expected to get a positive push from states in the North viz. Rajasthan and Uttar Pradesh.

The Government of India (GoI) strongly believes in Micro Irrigation as one of the key tools to save water as well as double farmer Income and thus Hon Prime Minister has been pushing for 20 Lakh Ha a year target for Micro Irrigation.

Though this is very encouraging, the buy-in, funding and priorities of State Governments is equally important. States play a vital role in controlling Funds, Pricing as well as administrative aspects. Also, for Micro Irrigation industry the raw material prices play a critical role, presently though the prices of polymers look stable, the changes in the Geopolitical conditions could impact this key cost.

With prices improved, RM Stabilised, Dormant states getting active and new states emerging, various Industry players expect a reasonable growth in the coming years.

Opportunities and Outlook

Micro-irrigation being a proven solution to improve water use efficiency, productivity improvement and improving farmer income, stands as a compulsive tool to 'Double Farmer Income', 'Water conservation' and support the 'Growth of Sectors other than Agriculture'. With this background and various initiatives taken by Central and State Governments, Micro Irrigation industry is likely to see good growth possibilities in the near future.

Though F'25 is a year of General Elections as well as State elections in few industry critical states, it would be a year

of Opportunity led reasonable growth. As per the Indian Meteorological Department and various Private players, India is likely to receive above average Monsoon in 2024. This brings in a likelihood of good ground water availability especially in the second half of F'25, which is critical for Micro Irrigation.

In F'25 several current active states are expected to remain active giving a positive push to the industry, though there will be an impact on regular operations during the election period. As mentioned earlier, few states in the north are showing growth for last couple of years e.g., Uttar Pradesh; with processes becoming more and more transparent these states are likely to contribute to the overall Industry.

Further, the Central and State Governments are focussing on Water conservation and use efficiency improvement. In F'23 Government introduced 'Atal Bhujal Yojana', with the objective to improve the management of groundwater resources in select water-stressed areas. In F'24 the Industry witnessed a positive push on account of this, especially in the State of Gujarat, which is likely to continue in F'25.

Further the GoI is also actively looking at developing clusters for linkage of Major Irrigation projects to Micro Irrigation along with 'Pressurised Piping Systems'. These actions may open up opportunities for Irrigation Projects.

The Company will focus on small, faster cycle projects for which some early success is seen.

Though the RM prices are expected to be range bound at current levels, on account of ongoing Geopolitical matters it is difficult to predict the same. This highlights the continued efforts to safeguard and improve margins with a focus on Cost-saving measures and balancing the revenue portfolio through optimizing State, Product and Segment mix.

There are opportunities identified for future in the space of water use efficiency in 'Water Guzzling Crops' such as paddy. Taking F'23 initiatives further the Company developed success stories for 'Drip in Paddy', and this has benefitted the farmers by improvement in productivity. These efforts will continue in F'25 too, though the real commercial benefit will take some more time as the farmers adopt these technologies on a large scale.

As mentioned in the investor communication, within the Mahindra Group, the Company is now a part of Mahindra Farm Equipment Sector (FES). This will throw good opportunities of Synergy with the sector businesses.

The overall Agriculture Space is experiencing a lot of technological interventions in precision agriculture, leaving possible opportunities for adoption, convergence, and collaboration.

Operations and Financial Performance

F'24 began with state of AP getting active, Gujarat showing a spurt in demand and Maharashtra being active. This led to a growth of 51% in H1 F'24. Subsequently in Q3 F'24 the growth was constrained on account of lower demand from Maharashtra and a slowed down operation in AP. In Maharashtra the channel cash flow was impacted on account of delayed subsidy disbursements to farmers as well as a lower demand on account of skewed rainfall. Whereas in AP the fund disbursement was delayed and the situation remained till end of F'24. On the other hand, the Company's revenue was supported by operational Karnataka and the non PDMC revenue.

Overall during the year, the RM prices remained range bound.

During the year 2023-24, the Company achieved a Sales Turnover of Rs. 262.50 crores as compared to Rs. 210.40 crores in the preceding year, a growth of 25%.

The Company continued its focus on debtor management and processes.

The Company consciously controlled the operations in certain states of strength to strengthen processes including Revenue Recognition, Debtor reduction etc.

While doing so the Company worked on improving the product mix, state mix and segment mix. During this period Company achieved its highest ever Exports Revenue as well as Non PDMC Revenue. With continued efforts, the Company has developed a strong work order pipeline for irrigation projects. As a result, in F'24, the Company has registered 27% of its revenue from non PDMC segments, a stride towards reducing dependence on subsidy.

The strategic actions taken in the previous years gave the Company a much-awaited push in select markets as well as the non-subsidy segment. This included actions on geographies, channel, people, and processes.

The Company continued its focus on serving the Customer's needs resulting in lower Customer complaints, Lower rejections across all production locations.

The Company further continued efforts on asset efficiency improvement through TQM practices and frugal engineering as well as the reduction in working capital to reduce the impact on the bottom line. The Company's commitment to sustainability (SBTi), social responsibility and delivering quality services to the farming community will strengthen further in times to come, as an acknowledgement of this Mahindra EPC, retained its grading to 'Stage 5' in 'The Mahindra Way (TMW)' assessments.

Key Financial Ratios

The Key Financial Ratios of the Company are given below:

Ratio	Numerator	Denominator	Standalone		
			FY 2024	FY 2023	% Change
Debtors Turnover (Days)	Average Debtors	Net Sales	239	305	-21.63%
Inventory Turnover (Times)	COGS	Average Inventory	3.29	3.32	-0.75%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	7.53	0.81	832.84%
Current Ratio (Times)	Total Current Assets	Total Current Liabilities	2.35	2.20	6.77%
Debt Equity Ratio (Times)	Debt	Shareholders Equity	0.09	0.09	0.0%
Net Profit Margin (%)	PAT	Net Sales	0.64%	-5.82%	-110.94%
Return on Equity (%)	PAT	Net Worth	1.02%	-7.23%	-114.06%
Trade Payable Turnover (Days)	Average Trade Payables	Net Purchases	152	166	-8.82%
Return on Capital employed	EBIT	Capital Employed	3.11%	-7.58%	-141.01%
Working Capital Turnover Ratio	Net Sales	Average Working Capital	2.14	1.96	8.83%
Return on Investments	Income generated from invested fund	Average invested funds in treasury investment	7.42%	2.84%	161.76%

During this year, the Company initiated its operations in the State of West Bengal keeping in view the industry growth in eastern markets.

In F'24, the Company completed the impairment of its stake in JV and going forward will explore the 'Protected Cultivation' segment on its own.

With focused efforts on receivable optimization, the company has successfully for the second consecutive year managed the business with lower debtor days, from 269 days in F'22 to, 195 Days in F'23 and 172 Days in F'24. Although, the delays in collection from certain project markets has impacted the cash flow. With continued efforts, improvement in the collection process as well as expected normalcy at the nodal agencies, we expect an improved performance in F'25.

The Company has done a detailed review of old receivables and taken actions to recover the same. Further, as a measure of abundant caution have provided sufficiently for receivables that have been due for a longer period.

The Company continues to provide support to farmers by way of the Agri Helpline for online support besides undertaking initiatives such as showcasing Demo Plots, organizing farmer meetings, creating success stories and agronomy services for farmers to improve farm productivity. These value-added services certainly help enhance the number of farmers achieving Farm Tech Prosperity.

During the year under review, the Company continued to achieve a high rating in 'The Mahindra Way (TMW)' assessment, which measures business excellence across business processes. The Company continued its focus on Total Productive Maintenance (TPM), Total Quality Management (TQM) Continuous Improvement Team (CIT), Mahindra Yellow Belt Programme, Kaizen, Quality Parameters on all machines and Service Quality Index. These measures have resulted in improvements in production efficiencies, reduction in rejections and improvement in customer satisfaction levels.

Risks, Concerns and Threats

The major concerns faced by the industry are, absence of all year round working of the scheme, delayed Opening of the scheme, lack of implementation of dynamic price revision and delayed funds release by certain State Governments. Though the intent of the Gol as well as State Governments is to increase the speed of MI coverage, these concerns presently remain. There are many deliberations and representations taking place through the competent Industry bodies and the importance of

the same has been conveyed to the relevant authorities. In the future, consistent and cohesive Central and State policies will bring in effective solutions on the same. Till then tighter internal controls have been exercised for debtor monitoring along with rigorous cost controls.

The Company has identified certain markets and is focusing on developing these for year-round business opportunities. Further, the Company has undertaken initiatives to reduce dependence on subsidy markets, this has and will lead to maintain business activity levels as well as improve on working capital. Also, the Company riding on Synergy possibilities across Farm Equipment Sector, will cover the risk to topline and bottomline to some extent.

Further, uneven distribution of rainfall, unorganized sector and dependence on polymer prices are a few more risks. The risks due to seasonality and distribution of monsoon get addressed with Mahindra EPC's well-spread operations in different States, where despite different monsoon months, the Company's operations are balanced to a certain extent.

In the recent past, an increasing preference for low-cost - medium-life non-subsidy products are observed. The Company has its readiness to address these requirements.

Considering the impact and ever staring water crisis Micro Irrigation creates a strong case to address the key challenges surrounding the agriculture sector which include, innovation in technology and mechanisation with increased penetration. The Company is working on technology solutions for the farmers through its collaborations and tie-ups with various partners in this space.

With only 15% penetration of Micro Irrigation, Surface irrigation will still dominate as the primary irrigation method for some years, the efforts of the Government agencies to create policies that include connection of surface water to on-farm water management will further improve the scope for Micro Irrigation, and the area under micro-irrigation will continue to expand.

Internal Control Systems

The Company has an effective and reliable internal financial control system commensurate with the nature of its business, the size, and the complexity of its operations. The internal financial control system provides for well-documented policies and procedures, that are aligned with Mahindra Group's standards, processes, and policies; and enable the Company to adhere to statutory requirements for the orderly and efficient conduct of business, safeguarding of assets, detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information.

The Company uses an ERP System as a business enabler and to maintain its books of accounts. The transactional controls built in the ERP System provide segregation of duties and

appropriate levels of approval mechanism and maintenance of audit trail. The System and the Standard Operating Procedures are reviewed by the management and strengthened wherever required. These systems and controls are audited by the Internal Auditors and their findings and recommendations are reviewed by the Audit Committee. The Action Plan is prepared by the management for all the Audit findings and recommendations and is continuously monitored on monthly basis, while the action taken report is reviewed by the Audit Committee every quarter. The Company continuously makes efforts to automate its processes to enhance the controls.

The internal control framework covers all major business processes and the risks therein, bringing control and integrity. These are tested by the management based on the Risk Control Matrix.

Based on management's assessment and testing of controls, it is concluded that the Company has proper internal financial controls which are considered adequate and are operating effectively.

Human Resources and Industrial Relations

In line with its commitment to deliver superior performance through its dedicated, capable, and agile workforce in all spheres of business, the company has focused on Collaboration at work, capability enhancement systems, new ways of Learning & Development and Work-Life Balance to ensure higher productivity.

With the core purpose of **Together We Rise** philosophy, the introduction of Refresh Rise has shown the new path towards "Rise for a More equal world", "Rise to be Future-Ready", and "Rise to create Value" in the life of our communities.

Given the challenging environment the Company has made changes to its performance management system and has brought in weightages to Collaborative, Agile and Bold Behaviours, the employees would be assessed twice a year during the performance appraisal period. This process covers all four aspects – financial perspective, customer perspective, and Internal business process along with innovation and learning for performance evaluation and strategy deployment. This practice ensures balance across multiple dimensions of the performance of employees.

Human resources initiatives such as skill level upgradation, online training courses, re-deployment of manpower for better utilization, productivity improvement of sales force through building crop-specific capability, appropriate reward and recognition systems and productivity improvement are the key focus areas for the development of the employees of the Company. In the past two years, there have been number of instances wherein the senior positions have been filled through internal talent, which is in line with our strong succession planning policy. As we look ahead, we are confident that our strong, positive people philosophy and practices will make us a preferred organization for talent.

Inline with Mahindra culture of promoting 'Speak up' and 'Zero Tolerance on Ethics and Governance', the Company has a 'Ethics' help line which is promoted through all communications by senior management. The events reported are addressed by the Ethics Committee through a laid down process.

The organisation has established a proactive Grievance handling mechanism and addressed issues at the very initial stage, to ensure industrial peace and higher productivity. In line with the wage settlement in force, the organisation has ensured to comply with each clause in the Long Term Settlement to ensure harmony at the workplace. The organisation engages with the union and opinion makers to ensure better engagement of the workforce leading to better productivity.

The Company's employees proactively participate in 'Employee Social Options' and the Company is experiencing an overwhelming response by the employees to selflessly participate in 'Mahindra Volunteers' Day', which coincides with 'World Volunteer Day'.

The Company is also sensitizing its people to maintain all-around wellness to ensure the safety of themselves, their families and society at large. To note the Company has over 1500 days of 'Zero Accident Days'.

As of 31st March 2024, the total number of permanent employees in our Company was 333.

Cautionary Note

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements and risks and opportunities may differ from those expressed or implied in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent developments, information, or events.

ANNEXURE II TO DIRECTORS' REPORT

Disclosures with respect to Employees Stock Option Scheme of the Company pursuant to the provisions of the Companies Act, 2013.

Particulars	Employees Stock Option Scheme, 2014	
(a) Options granted	3,79,782	
(b) Options vested	2,89,827	
(c) Options exercised	2,68,444	
(d) The total number of shares arising as a result of exercise of options	2,68,444	
(e) Options lapsed	73,393	
(f) Exercise price	Rs. 10	
(g) Variation of terms of options	Nil	
(h) Money realised by exercise of options	Rs. 26,84,440	
(i) Total number of options in force	37,945	
(j) Employee wise details of		
(i) Key Managerial Personnel	1) Abhijit Page – 49,990 2) Sunetra Ganesan – 12,940 3) Ratnakar Nawghare – 15,751	
(ii) Any other employee or director who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Year of Grant 2014	1. Kiran Soman – 16,862 2. Kedarnath Keskar – 4,688 3. Makarand Mallikar – 4,675 4. Arvind Gulghane – 4,024
	2015	1. G. Ragupathi – 3,228
	2016	1. Padamkumar Gandhi – 7,896 2. *Milind Khapre – 22,320 3. Tejas Joshi – 9,972
	2017	1. Sudheendra Katti – 3,432 2. Shivaji Sangle – 3,345
	2019	1. Kiran Soman – 13,431 2. G Dayakar – 8,170 3. Sankar Maiti – 8,066 4. Arvind Gulghane – 9,332 5. Kedarnath Keskar – 5,423 6. G Ragupathi – 10,176
	2021	1. *Milind Khapre – 20,462 2. **Ramesh Rathore – 9,220 3. Tejas Joshi – 4,860 *Resigned **Transferred to Group Company

Particulars	Employees Stock Option Scheme, 2014
(iii) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding Warrants and conversions) of the company at the time of	Nil
(k) Basic and Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (INDAS) 33 'Earnings Per Share'	Basic Earnings per Share - Rs. 0.60 & Diluted Earnings per Share - Rs. 0.60 respectively.
(l) Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	The Company has calculated the employee compensation cost, using the fair value method been used, in respect of stock options granted under the Employees Stock Option Scheme, 2014.

(m) Weighted -average exercise prices and weighted - average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Options Grants Date	Exercise Price (Rs.)	Fair Value (Rs.)
	28 th October, 2014 and 31 st October, 2015, 22 nd November, 2016 22 nd November, 2017 28 th February, 2019 12 th March, 2021	10	170.97 131.75 169.43 83.51 144.09
(n) A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted - average information:	The fair value of the Stock Options granted on 28 th October, 2014, 31 st October, 2015, 22 nd November, 2016, 22 nd November, 2017, 28 th February, 2019, 12 th March, 2021 and 04 th May, 2022 have been calculated using Black- Scholes Options Pricing Formula and the significant assumptions made in this regard are as follows:		
i. risk-free interest rate	8.06%, 6.33%, 6.68%, 7.06% and 5.38% respectively.		
ii. expected life	3.50 yrs., 5.50 yrs., 3.5 yrs., 3.5 yrs. and 3.50 yrs. respectively.		
iii. expected volatility,	55%, 49%, 44%, 39.15% and 49.87% respectively		
iv. expected dividends and the price of the underlying share in market at the time of option grant.	Nil		
v. the price of the underlying share in market at the time of option grant.	Rs. 177.75, Rs. 158.3, Rs. 135.4, Rs. 172.55, Rs. 92.90, Rs. 110.35 Rs. 157.70 and Rs. 99.10 respectively.		

Disclosures by the Board of Directors pursuant to regulation 14 read with Part F of Schedule I of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 may be accessed on the Company's website at the weblink: <https://www.mahindrairrigation.com/wp-content/uploads/2024/06/ESOP-Regulation-14-SBEB.pdf>

ANNEXURE III TO DIRECTORS' REPORT

A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	5.91%
2.	The percentage increase in remuneration of each Director, CEO, CFO & CS.	MD – Nil CEO – 10% CFO – 8% CS – 8%
3.	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees in the financial year was increased by 8.9%. The calculation of % increase in median remuneration is done based on comparable employees.
4.	The number of permanent employees on the rolls of the company.	There were 333 permanent employees as on 31 st March, 2024.
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentile change in Managerial employees is 9.7% whereas the average percentage change in Non Managerial employees is 8.6% in 2023-24.
6.	Affirmation that the remuneration is as per the remuneration policy of the company	The Company affirms that the remuneration is as per the remuneration policy of the Company.

ANNEXURE IV TO DIRECTORS' REPORT

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT AND SUCCESSION PLANNING FOR ORDERLY SUCCESSION TO THE BOARD AND THE SENIOR MANAGEMENT

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

“**Board**” means Board of Directors of the Company.

“**Company**” means Mahindra EPC Irrigation Limited.

“**Committee(s)**” means Committees of the Board for the time being in force.

“**Employee**” means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company.

“**HR**” means the Human Resource department of the Company.

“**Key Managerial Personnel**” (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 and includes:

- (i) Managing Director (MD), or Chief Executive Officer (CEO); or Manager; or Whole time Director (WTD)
- (ii) Chief Financial Officer (CFO); and
- (iii) Company Secretary (CS).

“**Nomination and Remuneration Committee**” (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

“**Senior Management**” means personnel of the Company who are members of its Core Management Team excluding Board of Directors comprising of all members of management one level below the executive directors including the functional heads.

I. APPOINTMENT OF DIRECTORS

- The NRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and independence of director:
 1. All Board appointments will be based on merit, in the context of the skills, experience, independence and knowledge, for the Board as a whole to be effective.
 2. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.

3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Independent Directors.

- Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Whole Time Director will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act 2013 and Rules made thereunder.

REMOVAL OF DIRECTORS

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non - adherence to the applicable policies of the company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

SENIOR MANAGEMENT PERSONNEL

The NRC shall identify persons who are qualified to become directors and who may be appointed in senior management team in accordance with the criteria laid down above.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Whole Time Director based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

II. SUCCESSION PLANNING:

Purpose

The Talent Management Policy sets out the approach to the development and management of talent in the Mahindra Group to ensure the implementation of the strategic business plans of the Group and the Group Aspiration of being among the Top 50 globally most-admired brands by 2021.

Board:

The successors for the Independent Directors shall be identified by the NRC atleast one quarter before expiry of the scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successors for the Executive Director(s) shall be identified by the NRC from among the Senior Management or through external source as the Board may deem fit.

The NRC will accord due consideration for the expertise and other criteria required for the successor.

The Board may also decide not to fill the vacancy caused at its discretion.

Senior Management Personnel:

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent. It will ensure replacements for key job incumbents in KMPs and senior management positions in the organization.

Significantly, we have a process of identifying Hi-pots and critical positions. Successors are mapped for these positions at the following levels:

1. Emergency successor
2. Ready now
3. Ready in 1 to 2 years
4. Ready in 2 to 5 years
5. Ready in more than 5 years

in order to ensure talent readiness as per a ladder approach.

Policy Statement

The Talent Management framework of the Mahindra Group has been created to address three basic issues :

- 1) Given the strategic business plans, do we have the skills and competencies required to implement them? If not, how do we create them – by developing them internally or through lateral induction from outside?
- 2) For critical positions, what is the succession pipeline?
- 3) What are the individual development plans for individuals both in the succession pipeline as well as others?

The framework lays down an architecture and processes to address these questions using the 3E approach :

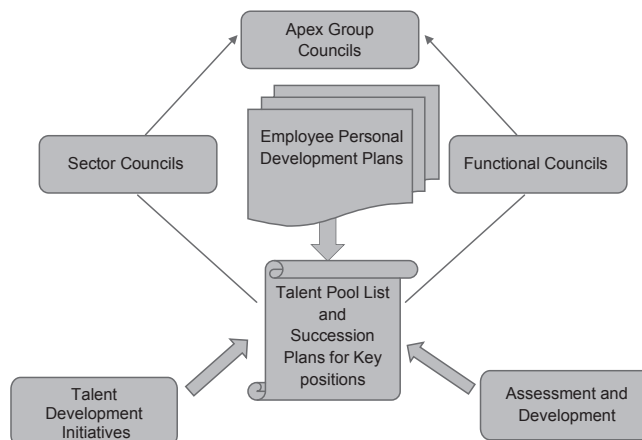
- a) **Experience** i.e. both long and short-term assignments. This has 70% weightage

- b) **Exposure** i.e. coaching and mentoring – 20% weightage

- c) **Education** i.e. learning and development initiatives – 10% weightage

The Talent Management process is applicable to all employees. Over the years, the Talent Management framework has become a well-structured and process-oriented system which is driven by an interactive and collaborative network of Talent Councils at the Group and Sector Levels. These Talent Councils, which consist mainly of Senior business leaders supported by HR, are a mix of Sector (Business) and Functional Councils coordinated by an Apex Talent Council, headed by the Group Chairman. The Apex Council reviews the work done by the Talent Councils and facilitates movement of talent across Sectors. The Sector / Functional Councils meet regularly throughout the year and the Apex Council interacts with each one of them separately once a year, and in addition conducts an integrated meeting where the Chairpersons of all the Councils are present.

The Talent Management process can be represented pictorially as under :



The talent pipeline is maintained and developed so as to ensure that there is a seamless flow of talent. An important part of this exercise is drawing up and implementing IDAPs (Individual Development Action Plans) for every Executive concerned using the 3E approach mentioned above.

ANNEXURE V TO DIRECTORS' REPORT

POLICY FOR REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Purpose

This Policy sets out the approach to Compensation of Directors, Key Managerial Personnel and other employees in Mahindra EPC Irrigation Limited.

Policy Statement

We have a well -defined Compensation policy for Directors, Key Managerial Personnel and all employees, including the Chairman, Presidents and other Members of the Group Executive Board who are employees of the Company. The overall compensation philosophy which guides us is that in order to achieve global leadership and dominance in domestic markets, we need to attract and retain high performers by compensating them at levels that are broadly comparable with the median of the comparator basket while differentiating people on the basis of performance, potential and criticality for achieving competitive advantage in the business.

In order to effectively implement this, we have built our Compensation structure by a regular annual benchmarking over the years with relevant players across the industry we operate in.

NON-EXECUTIVE INCLUDING INDEPENDENT DIRECTORS:

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both Fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Companies Act 2013 and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

Whole Time Director or Executive Director or CEO:

The remuneration to Whole Time Director or Executive Director or CEO shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of their appointment, the variable compensation will be determined annually by the NRC based on their performance or alternatively, the NRC may recommend to pay the consolidated remuneration.

Key Managerial Personnel (KMPs)

The terms of remuneration of Chief Financial Officer (CFO) shall be determined by the Audit Committee from time to time. The terms of remuneration of the Company Secretary shall be finalised/revised by the Whole Time Director or such other person as may be authorised by the Board from time to time.

The remuneration shall be consistent with the competitive position of the salary for similar positions in the industry and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of Section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

The remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Employees

We follow a differential approach in choosing the comparator basket for benchmarking, depending upon the level in the organization:

- a. For all employees from Operational to Executive Band, we benchmark with a set of comparators from the same industry.
- b. For Strategic band and above, we have a position-based approach and the comparator basket includes benchmarks from across relevant industries.

We have a CTC (Cost to Company) concept which includes a fixed component (Guaranteed Pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as we believe employees at higher positions have a far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements:

- Performance
- Potential
- Criticality
- Longevity in grade

Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate.

The Company may also grant Stock Options to the Employees and Directors (other than Independent Directors and Promoter) in accordance with the ESOP Scheme of the Company and subject to the compliance of the applicable statutes and regulations.

ANNEXURE VI TO DIRECTORS' REPORT**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

For the financial year 2023-24

SECTION A: GENERAL DISCLOSURES**I. Details of the listed entity**

1.	Corporate Identity Number (CIN) of the Listed Entity	L25200MH1981PLC025731
2.	Name of the Listed Entity	Mahindra EPC Irrigation Limited
3.	Year of incorporation	1981
4.	Registered office	Plot No. H-109, MIDC Ambad, Nashik-422 010
5.	Corporate address	Plot No. H-109, MIDC Ambad, Nashik-422 010
6.	E-mail	info@mahindairrigation.com
7.	Telephone	0253-6642000
8.	Website	www.mahindairrigation.com
9.	The financial year for which reporting is being done	01-04-2023 To 31-03-2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital (INR)	27,91,28,080/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Mr. Ratnakar Nawghare- Company Secretary 0253-664 2000 Email - rvnawghare@mahindairrigation.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)?	The disclosures under this report are made on a Standalone basis.
14.	Name of assurance provider	The Company has not appointed any assurance provider.
15.	Type of assurance obtained	N.A.

II. Products/services**16. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing and marketing	Micro Irrigation Systems – Drip, Sprinklers, HDPE Pipes and Associated services	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Micro Irrigation Systems – Drip, Sprinklers, HDPE Pipes and Associated services	84249000	100%

III. Operations

18. The number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	4	6
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	16
International (No. of Countries)	1

b. What is the contribution of exports as a percentage of the total turnover of the entity? 3.15%

c. A brief on types of customers: In domestic markets, the Company deals through its channel partners or directly with farmers/institutional clients as per the requirement. In exports, the Company mainly deals in various countries through its Channel Partners and institutional clients.

IV. Employees

20. Details as of the end of the Financial Year: 31st March, 2024

d. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	283	276	97.5	7	2.5
2.	Other than Permanent (E)	4	4	100	0	0
3.	Total employees (D+E)	287	280	97.6	7	2.4
WORKERS						
4.	Permanent (F)	46	46	100	0	0
5.	Other than Permanent (G)	50	50	100	0	0
6.	Total workers (F+G)	96	96	100	0	0

e. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D+E)	1	1	100%	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently-abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	8	2	25%
Key Management Personnel	4	1	33%

* Mr. Ramesh Ramachandran – Managing Director is also a Key Managerial Personnel

22. The turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	28.04%	0.34%	28.38%	17.9%	0	17.9%	19.4%	0	19.4%
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by the listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Mahindra Top Greenhouses Pvt. Ltd.	Joint Venture	60%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: No

(ii) Turnover (in Rs.) – Rs. 262.45 crores

(iii) Net worth (in Rs.) – Rs. 165.29 crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) <i>(If Yes, then provide web-link for the grievance redress policy)</i>	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Yes https://mahindrairrigation.com/AgriHelpline.aspx	161	0	0	107	0	0
Investors (other than shareholders)	NA	1	0	0	0	0	0

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) <i>(If Yes, then provide web-link for the grievance redress policy)</i>	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Shareholders	Yes, As per SEBI Listing Regulations	1	0	Nil	1	0	Nil
Employees and workers	Yes Through a third-party helpline.	2	0	Nil	0	0	Nil
Customers	Yes https://www.mahindrairrigation.com/contact-us	161	0	Nil	107	0	Nil
Value Chain Partners	Yes https://www.mahindrairrigation.com/contact-us	1	0	Nil	0	0	Nil
Other (please specify)	Yes https://www.mahindrairrigation.com/contact-us	0	0	Nil	0	0	Nil

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, and the approach to adapt or mitigate the risk along with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, an approach to adapt or mitigate	The financial implication of the risk or opportunity (indicate positive/negative implications)
1.	Disaster recovery	Risk	<input type="checkbox"/> Business interruption due to natural calamities like earthquakes, cyclones, etc. <input type="checkbox"/> Inadequate disaster recovery planning <input type="checkbox"/> Business Interruption due to any disaster	1. Adequate protection against calamities including appropriate insurance 2. Introduced adequate mitigation for interruptions due to pandemic situations 3. Decentralized manufacturing, Alternate vendors developed near manufacturing/supply locations	Disruption of business operations leads to negative financial implication
2.	Health, safety and environment	Risk	<input type="checkbox"/> Non-compliance with safety measures by employees <input type="checkbox"/> Not following safety measures	1. Strict adherence to safety norms. (Achieved Stage 4 in The Mahindra Safety Way Assessment Cycle-6) – 1500+ Zero Accident Days 2. Focus on reducing the generation of effluent treated water and 100% internal consumption. 3. Employee training & adherence to safety norms being followed strictly 4. Medical check-ups, and vaccination drives as per Govt. Regulations 5. Encouraging the use of digital technology	Incidents impact employee morale and business reputation leading to negative financial implication
3.	Training and Education	Opportunity	Skilled employees and workers form an asset to the Company. Better-trained employees and workers perform their tasks more efficiently and effectively.	1. Providing a needs-based and innovative range of training courses (Training need fulfilment @ 87% for the year) 2. Providing programmes that are specifically designed for roles which require upgraded skills	Consistent efforts lead to positive impact through improvement in productivity, reduction in defects/rejection, etc.
4.	Data protection	Risk	<input type="checkbox"/> Risk of confidential data leakage via USB drives/flash drives <input type="checkbox"/> Exposure to Company data because of working from home and access to respective data	1. All system access are reviewed periodically & data leakage prevention (DLP) system are implemented at these equipment 2. Restricted data access control & data encryption to monitor work from home activities in case any	Impacts the brand reputation in the industry thereby leading to financial loss

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, an approach to adapt or mitigate	The financial implication of the risk or opportunity (indicate positive/negative implications)
5.	Sustained performance & quality	Risk	<input type="checkbox"/> Risk of the customer being lost, in course of business <input type="checkbox"/> Dissatisfaction amongst the customer due to lack of attention, focus, etc.	1. Enhance customer satisfaction: Measured through Third Party Survey done periodically by M&M Group Strategy Office, A system of assessing service quality in place – Service Quality Index 2. Providing end-to-end solutions, providing online as well as in-person support to farmers for better agricultural practices. Success stories are developed for productivity improvement. Internal measure through Service Quality Index – Monitoring and Action Plan for improvement 3. Monitoring of Customer complaints and timely resolution of the same.	Impacts the brand reputation in the industry thereby leading to financial loss
6.	Brand risk/ reputation	Risk	<input type="checkbox"/> Risk of threat or danger to the name or standing of business or entity <input type="checkbox"/> Actions involving the Company directly or indirectly may damage the brand name	1. Brand-building activities are an ongoing process 2. Participation in the exhibition, Van Campaigns, Service Camps, Agronomy knowledge Dissemination, Farmer meet, Demo Plots, Farmer visits to Plant, Farmer training and other initiatives for brand visibility. 3. Good reputation with various stakeholders such as Nodal agencies, Vendors, NGOs and institutional customers	Impacts the brand reputation in the industry thereby leading to financial loss

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes Note 1	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board/Top Management? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes Note 2.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.*	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	For regular policies, there are targets for actionable items which get covered in the operating plan of the Management.								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	The operating plans against the policies get reviewed periodically and the progress is as per plan.								
<p>Note 1. The Policy of Mahindra and Mahindra Ltd., has been adopted</p> <p>Note 2. Most of our value chain partners are large corporates which are not governed by the policies laid by the Company though partners like dealers, and service facilitators adhere to the policies of the Company.</p> <p>* The Company has obtained the certifications under national/international codes/certification/standards</p> <ol style="list-style-type: none"> BIS standards – Certification for conforming to the quality standards. ISO certification – ISO 9001:2015 from DNV GL Business Assurance TMW – The Mahindra Way -Stage 5 certification for overall adherence to policies and business processes wherein other than the regular management and business processes, adherence to Group corporate policies such as risk management, sustainability, CSR, Safety, diversity and inclusion, and employee relations are also assessed. Present rating of TMW is 'Stage 5' 									
Governance, leadership and oversight									
7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>“The ESG/Sustainability initiatives of the Company and Roadmap with specific goals and targets are under development. Once they are in place, implementation of actions would be monitored for their progress and updates shared with all the stakeholders on a periodical basis. Though since last few years, the sustainability parameters are being assessed and the data is a part of the Mahindra and Mahindra Sustainability Report which is available at https://www.mahindra.com/sites/default/files/2023-10/Mahindra-Sustainability-Report-2022-23.pdf</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>The CSR Committee of the Board evaluates the Company's social, environmental, governance, and economic obligations. As well as the ESG-related risks assessment is placed at the Risk Management Committee for review.</p> <p>Further details are provided in the Corporate Governance section of the Annual Report.</p>								

9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details.	Presently there is no Committee for decision-making on sustainability-related issues. Although, the Corporate Social Responsibility Committee reviews, the Business Responsibility and Sustainability Report.'									
10. Details of Review of NGRBCs by the Company:										
Subject for Review	Indicate whether the review was undertaken by the Director/Committee of the Board/Any other Committee					Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)				
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
Performance against the above policies and follow-up action	The Board reviews the Company's major policies every two years. During this evaluation, the policy's effective implementation is assessed, and required policy and procedure adjustments are adopted.					Every Two years.				
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all legal responsibilities that are relevant to the principles, and in case of any delay or non-compliance, the Board reviews and rectification of issues. Further to this, the Company is using a tool for tracking compliance on statutory laws and regulations and the relevant report is presented to the Board for review.					Quarterly				
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes. The Policies on Quality, Safety, Health and Environment are subject to internal and external audits as part of the ISO Systems and the Mahindra Way (TMW) assessment & certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy.									

12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable as all principles are covered by respective policies

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	-	-	-

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Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	4	Code of Conduct Posh Awareness Integrity, Ethics, Whistle Blower, International Volunteer Day	100%
Employees other than BoD and KMPs	4	Code of Conduct Ethics, Whistle blower Posh Awareness Integrity, International Volunteer Day	100%
Workers	10	OJT/ Safety/TPM/CPR/ Fire Fighting	100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

No fines/penalties/punishment/award/compounding fees/settlement amount were paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, the Company has zero tolerance for any form of corruption or bribery and has an Anti-corruption and Anti Bribery policy which commands strict actions against those caught engaging in any such unethical behaviour. The Company has adopted Group's policy and it applies to all employees of the Company. At the time of joining new employees are given a copy of the policy to read. Trainings are conducted throughout the Company as a part of the prevention, identification and detection of anti-corruption issues. Wherever it operates, the Company does not tolerate bribery or corruption.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

No disciplinary action was taken by any law enforcement agency against any of the Company's directors/KMPs/employees or workers.

	FY'24 (Current Financial Year)	FY'23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest :

No complaints with regard to conflict of interest in the reporting period.

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of account payables	156	159

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases b. Number of trading houses where purchases are made from c. Purchases from top 10 trading houses as % of total purchases from trading houses	a. 2% b. 4 c. 100% since purchase only from 4 trading houses	a. 12% b. 6 c. 100% since purchase only from 6 trading houses
Concentration of Sales	a. Sales to dealers/distributors as % of total sales b. Number of dealers / distributors to whom sales are made c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors	a. 31.2% b. 806 c. 17.7%	a. 40% b. 793 c. 16.5%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases) b. Sales (Sales to related parties / Total Sales) c. Loans & advances (Loans and advances given to related parties/ Total loans & advances) d. Investments (Investments in related parties / Total Investments made)	a. 2.29% b. 0 % c. Nil d. Nil	a. 2.26% b. 0.02% c. Nil d. Nil

Leadership Indicator

i) Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total no of awareness programmes Held	Topics/principles covered in training	Of value chain partners covered (by value of business done with such partners) under the awareness programmes
7 & monthly two suppliers' audit	Business Ethics and Sustainability	30%

- ii) Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes,

Yes, the Company has processes in place to avoid/manage conflict of interests involving members of the board and it is as per the Terms of Appointment of Directors to Board. The Company's Code of Conduct states that the Board members and Senior Management of the Company are needed to abstain from discussion, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company, or must take prior approval from the Company's Board of Directors before accepting such a position.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0.02 Cr	0.001	New Product Development
Capex	0.01 Cr	0.74	Energy Saving

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) No.
 b. If yes, what percentage of inputs were sourced sustainably? – Not applicable

No, the Company does not yet have the exact protocols in place for sustainable sourcing, however, significant part of our input material is being sourced from large corporates plastic manufacturers which may have the required sustainability standards/codes/policies/labels.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Since the product is directly supplied to dealers and farmers, the Company has limited scope for reclaiming it at the end of its life cycle. The Company, however, has systems in place to recycle plastics (including packaging) and e-waste safely. Further, since the Company is into manufacturing products as per BIS Standards, there is a limited scope of recycling and re-using the products once sold. But in its limited capacity, the Company as per the Guidelines of BIS standards uses its rejected material by recycling the same.

Also, the Company has optimized its processes to the point where the majority of the waste produced is recycled and reused in its own operations. As a result, the amount of waste that leaves the Company is very minimal.

4. Whether Extended Producer Responsibility (EPR) applies to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format?

The Company has not conducted any life cycle assessment for the products till date. However, it may propose to carry out the LCA for products in future.

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not applicable.	Not applicable.	Not applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Polyethylene	2.75%	2.53%

4. Of the products and packaging reclaimed at end of life of products, the amount (in metric tonnes) reused, recycled, and safely disposed of, as per the following format:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	11.97 MT	NA	NA	10.56 MT	NA
E-waste						Rs. 48000
Hazardous waste	NA					
Other waste	Wood Scrap	Factory Waste	Corrugated Box	Garbage	M S Scrap	
F.Y. 24 (MT)	9.6	4.63	5.3	20.17	0.5	
F.Y. 23 (MT)	7.48	3.56	3.67	15.10	27.96	

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Since the product is directly supplied to Dealers and farmers, the Company has limited scope for reclaiming it at the end of its life cycle. Further, since the Company is into manufacturing products as per BIS Standards, there is a limited scope of recycling and re-using the products once sold. But in its limited capacity, the Company as per the Guidelines of BIS standards uses its own rejection material by recycling the same.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	276	276	100%	276	100%	NA	NA	276	100%	No	-
Female	7	7	100%	7	100%	7	100%	NA		No	-
Total	283	283	100%	283	100%	7	100%			No	-
Other than Permanent employees											
Male	4	4	100%	4	100%	No		No	-		
Female	-	NA		NA		-		NA	-	No	-
Total	4	4	100%	4	100%						

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	46	46	100%	46	100%	NA		No	-	NA	
Female											
Total	46	46	100%	46	100%	NA		NA		NA	
Other than Permanent workers											
Male	50	50	100%	50	100%	NA		NA		NA	
Female											
Total	50	50	100%	50	100%	NA		NA		NA	

2. Details of retirement benefits, for the Current FY and Previous Financial Year.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	10%	59%	Yes	13%	61%	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

No, currently there are no such employees who would find it difficult to access the premises though the premises are not specially designed for accessibility of differently abled employees, still, the assistance and immediate support are being extended in case required.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. The Company follows its holding company's policy.
5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	NA	NA	NA	NA
Total	100%	100%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes
(If Yes, then give details of the mechanism in brief)

Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Company follows a transparent policy and has an excellent listening culture to understand the concerns raised by any inmate. The Company conducts an employee survey every year to understand the issues of employees of the Company, in case any concerns are raised by employees the same are reviewed and suitably addressed by the Top Management. Further to this, there are town hall sessions conducted with proper scope for employees to raise concerns and thus the redressal mechanism gets activated in case required.

During the various training programmes, workmen are given the opportunity to speak for their concerns or issues and they are suitably redressed. Further, the Workman Grievance Redressal Register is also being maintained by the Company.

A third-party Ethics helpline is also provided where any employee can raise any concern in case he observes any wrongful act and the same is being addressed appropriately. Awareness of the same is being created through all senior management communications.

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7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/workers in the respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in the respective category (C)	No. of employees/workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
Total Permanent Employees						
- Male	276	0	NA	292	0	NA
- Female	7	0	NA	9	0	NA
Total Permanent Workers	46	46	100%	48	48	100%
- Male	46	46	100%	48	48	100%
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	276	100	36%	276	100%	292	100	34%	292	100%
Female	7	0	0	7	100%	9	0	0%	9	100%
Total	283	100	36%	283	100%	301	100	33.2%	301	100%
Workers										
Male	46	46	100%	7	15%	48	18	37.5%	4	8.3%
Female	-	-	-	-	-	-	-	-	-	-
Total	46	46	100%	7	15%	48	18	37.5%	4	8.3%

9. Details of performance and career development reviews of employees and workers:

For all employees, there is a performance management system, wherein everyone receives feedback/guidance from the immediate manager on the developmental needs as well as skills required for career progression. The same is reviewed by the skip-level managers: 100% of employees are covered twice a year.

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	276	276	100%	292	292	100%
Female	7	7	100%	9	9	100%
Total	283	283	100%	301	301	100%
Workers						
Male	46	46	100%	48	48	100%
Female	-	-	-	-	-	-
Total	46	46	100%	349	349	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage of such a system? **Yes 100% of establishments**
- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? **Yes, During the safety rounds, potential Hazards & risks are assessed and corrective actions are taken**
- c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N) **Yes, Workers have representation and active participation in the Safety committee.**
- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**
Yes. We have deployed a qualified doctor to address non-occupational medical and healthcare services also. We also organize various health awareness and wellness campaigns.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million person- hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace. Safety Committee formed Safety Round, Safety Inspection/Observation etc.

The Company has Safety Committee in place which oversees safety-related measures and improvement. Safety rounds and inspections are regularly carried out, safety observations are recorded, corrections and corrective actions are immediately taken.

Further, under the TMW assessment process, safety audits are regularly conducted to verify its adequacy.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by an entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions – Zero Incidents

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) Yes (B) Workers (Y/N) Yes

Yes, the Group Personal Accident policy and/ or term life insurance policy covers the compensatory package in the event of the death of any employee or workman.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners –

Yes, the Company ensures that statutory dues have been deducted and deposited by the value chain partners by verifying the supporting/evidence from time to time.

3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment :

There were no such cases during the period. However, the Company considered suitable placement of one employee by way of job rotation because of ill health (non-occupational).

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	1	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, appropriate guidance is provided for a smooth transition and continued employability.

5. Details on assessment of value chain partners:

	% of value chain partners (by the value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

* Most of the Vendors are large corporates and hence it is assumed that the parameters are adhered to. For Dealers/ Service Facilitators during the regular visits, feedback is given if found unsatisfactory, though there is no formal process for the same.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners - Nil

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key Stakeholders are identified on the basis of the material influence they have on the Company or on how they are materially influenced by the Company's corporate decisions and the consequences of those decisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Leadership Indicators

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/Quarterly/ Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<input type="checkbox"/> Conferences, workshops, emailers, online portals, employee surveys, Idea management, internal media Performance Reviews, Career Discussions, Town Halls <input type="checkbox"/> One-on-one interactions <input type="checkbox"/> Employee involvement in ESOP or CSR activities. <input type="checkbox"/> Employee Survey MCares	Periodically Half Yearly Periodically Yearly	<input type="checkbox"/> Inform about important developments in the Company, Guide and align to Company Objectives <input type="checkbox"/> Help the employees expand their knowledge. <input type="checkbox"/> Getting employee feedback and resolving their issues.
Investors	No	<input type="checkbox"/> Annual report, sustainability report <input type="checkbox"/> Investor Calls and presentations <input type="checkbox"/> Corporate website <input type="checkbox"/> Quarterly & Annual results	Annually Half-yearly Periodically Quarterly	Industry Attractiveness, Progress made by Company Fair and transparent Communication Protecting Investor rights and interests
Customers/Farmers/Dealers/Service Facilitators	No	<input type="checkbox"/> Interviews, personal visits, mass media & digital communications, plant visits, Group Meetings, Conferences, Training programs, Helpline responses <input type="checkbox"/> Support programmes, social media, <input type="checkbox"/> Conferences and events	Weekly and Quarterly Annually periodically	Dissemination of Agronomy knowledge, Awareness of new technology, New products, Usage and Suitability, Various business practices, Action alignment to objectives, Overall purpose of improving water use efficiency and farm productivity

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/Quarterly/ Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers & service providers	No	<input type="checkbox"/> Supplier & vendor meets <input type="checkbox"/> Training and Audit visits <input type="checkbox"/> Policies deployment <input type="checkbox"/> Dialogue in the context of industry initiatives, training, presentations	Periodically Periodically Periodically Periodically	<input type="checkbox"/> Supply of material & services Alignment to Quality, safety, Ethics, and sustainability Policies of the company Partnering in their development Right quality to the end user
Government and Regulatory Bodies, Nodal Agencies	No	<input type="checkbox"/> Regulatory audits/ inspections <input type="checkbox"/> Environmental compliance <input type="checkbox"/> Policy intervention <input type="checkbox"/> Good governance	Annually Periodically Annually	An assurance of adherence to the policies and procedures laid down from time to time Ethical services to the customers They help and guide in terms of connecting with Govt. Schemes in the same area for increased effectiveness.
Communities	Yes	The Company organizes under the CSR programme various initiatives for community development such as 27500 no. Tree plantations done in the previous year in FY 22-23, School Development Programmes conducted, girl child education sponsorship etc. in the past. Communities are also covered to some extent through Employee Social Option Program and Volunteers' Day		

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board?

The Company is in the process of establishing an internal committee of the Management Team. Stakeholder engagement, combined with an in-depth assessment by the committee, to aid the organization in aligning its business with ESG, allowing it to better service its stakeholders.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity: Yes

There are various ways in which the stakeholder consultation is recorded such as Customer Surveys, Vendor Satisfaction Surveys, Investor Calls, Employee surveys and CSR activities as well as farmer/Nodal agency interactions (Meetings). The inputs thus received are used for making corrections/changes in the SOPs, Policies, and Strategies of the company. E.g in F22 the Company supported the vicinity with COVID-19 related help as well as Covered areas such as Schools, Agriculture, Renewable energy, and Potable water in the focused villages, Girl Child Education and Tree Plantation in the past.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company regularly engage itself with the marginalized stakeholder group in the vicinity to address their health issues, measures for prevention of COVID, girl child education, etc.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format: Nil

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	283	NIL	-	301	NIL	-
Other than permanent	4	NIL	-	4	NIL	-
Total Employees	287	-	-	305	-	-
Workers						
Permanent	46	NIL	-	48	NIL	-
Other than permanent	50	NIL	-	53	NIL	-
Total Workers	96	-	-	101	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 Current Financial Year					Total (D)	FY 2022-23 Previous Financial Year			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	276	-	-	276	100%	292	-	-	292	100%
Female	7	-	-	7	100%	9	-	-	9	100%
Other than Permanent										
Male	4	-	-	4	100%	4	-	-	4	100%
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	46	-	-	46	100%	48	-	-	48	100%
Male	46	-	-	46	100%	48	-	-	48	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	50	-	-	50	100%	53	-	-	53	100%
Female	-	-	-	-	-	-	-	-	-	-

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3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of the respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	208333	–	–
Key Managerial Personnel	2	355608	1	435076
Employees other than BoD and KMP	274	52813	6	44177
Workers	46	50753	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	NA	NA

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) **Yes There is a corporate governance internal committee as well as an internal committee under POSH**

5. Describe the internal mechanisms in place to redress grievances related to human rights issues –

The Company has formulated a Code of Conduct Policy which states that the employees can address their complaints or grievances to the Human Resources department or the Senior Management. There shall be no retaliation or reprisal taken against any employee or associate who raises concerns in accordance with the policy. A committee has been formed or delegated to investigate the reported issues. The Committee is responsible for evaluating the reported issues and ensuring that they are addressed and rectified. For POSH-related issues, the process is to address the same through the internal committee so designated.

Further, there is a third-party Ethics Helpline which covers such issues other than routine governance issues. The Helpline number for the same is included in every management communication.

The employee survey is also conducted every year to understand the issues of employees of the Company, in case any concerns are raised by employees the same are reviewed and suitably addressed by the Top Management. Further to this, there are town hall sessions conducted with proper scope for employees to raise concerns and thus the redressal mechanism gets activated in case required.

All contracts and Agreements with external stakeholders cover the regulatory and governance aspects.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other humans rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	NA	NA
Complaints on POSH upheld	NA	NA

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases –

The Company recognizes the important role that business can play in ensuring the long-term protection of human rights, and the Company is dedicated to upholding the human rights of its employees, communities, contractors, and suppliers in accordance with the Group Policy.

The employees/affiliates address their complaints or grievances or report instances to the Human Resources department/ Senior Management. No reprisal or retaliatory action is taken against any employee/affiliate for raising concerns under this policy.

A committee is designated to investigate and evaluate violations if any and ensures that the same is addressed and resolved.

9. Do human rights requirements form part of your business agreements and contracts?

(Yes/No) No

Though not explicitly all business contracts and agreements cover the statutory and governance aspects so made applicable by the statute.

10. Assessments for the year: 2023-2024

	% of your plants and offices that were assessed (by an entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at the workplace	100%
Wages	100%
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

All the plants and offices of the Company were found to be having no negative impacts and as a result, no corrective actions were required on the criteria stated above.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints – None

2. Details of the scope and coverage of any Human rights due diligence conducted –

It is being covered as part of other audits presently. Exclusive human rights due diligence is not yet conducted.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016 -

As the Company’s offices/manufacturing facilities are hired premises hence it does not provide special access for differently abled visitors. Though any special assistance as may be required is provided.

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4. Details on assessment of value chain partners -

	% of value chain partners (by the value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at the workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

* Most of the Vendors are large corporates and hence it is assumed that the parameters are adhered to. For Dealers/ Service Facilitators and all other vendors all contracts and agreements include the required statutory compliances.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.: No significant risk to the company as the contracts and agreements cover the issues related to Governance and hence the risk if any will be on the value chain partner.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total electricity consumption (A)	4234492 kWh	3800056 kWh
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	4234492 kWh	3800056 kWh
Energy intensity per rupee of turnover (<i>Total energy consumption/turnover in rupees</i>)	–	0.00178 kWh/Rupee
Energy intensity (<i>optional</i>) – the relevant metric may be selected by the entity	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency. –

No. Though the data mentioned is as per the meter reading of Energy Distribution Authorities.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilo litres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third-party water	18983 Cubic Meters (Municipal water Connection)	20824 Cubic Meters (Municipal water Connection)
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
The total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	18983 Cubic Meters (Municipal water Connection)	20824 Cubic Meters (Municipal water Connection)
The total volume of water consumption (in kilolitres)	18983 Cubic Meters (Municipal water Connection)	20824 Cubic Meters (Municipal water Connection)
Water intensity per rupee of turnover (Water consumed/turnover)	-	0.000009 Cu Mtr/Rupee
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency.

No. Though the data mentioned is as per the meter reading of Water Distribution Authorities.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Mahindra EPC has effectively controlled the industrial water used during its activities by designing a closed loop system, and it is processed effluent discharge is 'ZERO'. This makes it a Zero Liquid Discharge (ZLD) plant.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	NA	NA	NA
SOx	NA	NA	NA
Particulate matter (PM)	NA	NA	NA
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) Yes, Accurate Analyzers (NABL-approved lab)

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6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format - NA

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	13	5.38
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	3032	2698
Total Scope 1 and Scope 2 emissions per rupee of turnover	<i>Metric tonnes of CO₂ equivalent</i>	–	0.00000127
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	<i>Metric tonnes of CO₂ equivalent</i>	0.442 (T CO ₂ per Unit)	0.426 (T CO ₂ per Unit)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency: Yes PCB of respective states have categorized the Company in the 'Green' band

7. Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details. **N. A.**
8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	11.97 MT	10.56 MT
E-waste (B)	NA	Rs: 48000
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any (G)	NA	NA
Other Non-hazardous waste generated (H) Please specify, if any. (Break up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B+C+D+E+F+G+H)	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Plastic waste (A)	Plastic waste (A)
(i) Recycled	10.77 MT	9.54 MT
(ii) Re-used	1.2 MT	1.02 MT
(iii) Other recovery operations	–	–
Total	–	–

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
For each category of waste generated, the total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency: Yes, Self-declared, it is always on offer to the statutory bodies to check and confirm. Further, independent agencies are not required for Green Band establishment.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes – Not applicable.
10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format: Not applicable.

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NA	NA	NA
	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:
In all areas of its operations, the Company is following the regulatory environmental laws and ethical conduct and is verified by a certified agency, Accurate Analyzer (NABL accredited agency).
12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N)? If not, provide details of all such non-compliances, in the following format: Yes certified by PCB.
The Company is in compliance with all applicable environmental laws.

Leadership Indicators

1. Provide a break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format: Please get details from the production department

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	436807 kWh	409642 kWh
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	436807 kWh	409642 kWh
From non-renewable sources		
Total electricity consumption (D)	436807 kWh	409642 kWh
Total fuel consumption (E)	4.71 kl (Diesel Consumption)	2.0 kL (Diesel Consumption)
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	4234492 kWh	3800056 kWh

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Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency. No.

2. Provide the following details related to water discharged:

NA, as there is a 'Zero' Discharge of Water

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency. NA

3. Water withdrawal, consumption and discharge in areas of water stress (in kilo litres):

Not applicable, as we do not have any operations in areas of water stress.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency. NA

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14755	12920
Total Scope 3 emissions per rupee of turnover		-	0.00000607
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		2.14 tCO2	2.44 tCO2

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency. No.

5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities -

Not applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

Not applicable as there is no emission/effluent discharge/waste generation.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes, the Company recognizes the importance of business continuity in its business and has put in place policies to ensure its mission. The Risk Management Policy is available on the Company's website at www.mahindrairrigation.com.

8. Disclose any significant adverse impact on the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company has not assessed social or environmental impacts on its value chain.

9. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.
The Company broadly affiliates with three trade and industry chambers/associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	The reach of trade and industry chambers/ associations (State/National)
1	Irrigation Association of India	National
2	Chamber of Commerce and Industry	National
3	Various State level Irrigation Association	State

1. Details of public policy positions advocated by the entity:
The Company through trade bodies and other associations puts forth a number of suggestions with respect to the industry in general and its activities in particular.
2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities: NIL
3. Details of public policy positions advocated by the entity: NIL

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
The Company has not carried out any social impact assessment of projects in the current financial year as the projects do not require impact assessment.
2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: NA
3. Describe the mechanisms to receive and redress grievances of the community.
The Company has a CSR Team to monitor the CSR Projects regularly which continuously interacts with the concerned communities in the areas of operation. The grievances as and when they arise are timely addressed & resolved by the CSR Team.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/small producers	32.7%	37%
Sourced directly from within the district and neighboring districts	24.05%	17.88%

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5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	NA	
Semi-Urban	NA	
Urban	33%	NA
Metropolitan	67%	NA

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

The Company has not carried out any impact assessment however, its CSR activities are majorly in the areas of environment, drinking water, livelihood, health and education.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: NA
3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No) NO
- (b) From which marginalized/vulnerable groups do you procure?
- (c) What percentage of total procurement (by value) does it constitute?
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not applicable.
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.
- Not applicable.
6. Details of beneficiaries of CSR Projects: The Company has not undertaken any CSR project during the year due to losses.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	NA	Nil	Nil

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer's response and customer satisfaction are one of the most important factors at Mahindra EPC. The Company obtains customer feedback periodically through farmer meetings or channel partners. Accordingly, corrective measures are planned and implemented. The Company also has a Helpline Number displayed at all Dealerships and in every management communication.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage Recycling and/or safe disposal	100%

All products are positively impacting the Environmental parameters and are safe, Recyclable/Reusable. While handing over the system the farmers/customers are trained on operations and maintenance as well as the water use efficiency improvement.

3. The number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recall on account of safety issues: NIL

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy. **Yes**

The company is following group guidelines on Cyber security and Policy related thereto is in place.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

No such incidences were reported hence NA.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide a web link, if available).

1. The Company website has information about all its products. The web link for the site is – www.mahindrairrigation.com

2. The Company Facebook Page: The link for the same is: <https://www.facebook.com/mahindrairrigation>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The end user of the Company’s product is a farmer. With every installation an Operations and Maintenance manual is provided in local language. Further, a small training is provided to the farmer at this time. The Company also helps farmers through toll free Agri Helpline in various languages to support farmers in following best agricultural practices.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

There have been no incidences. Further since the Company supplies products through channel partners nearby or alternate channel partner provides the services in case of any disruption on account of discontinuity of Channel Partners business.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Since the Company’s product are State Guidelines specific and as per requirements, the Company displays product requirements on packaging as per requirements and consistent with applicable laws. Beyond the statutory requirements the Company also provides specific Manuals as well training to the farmers. Consumer satisfaction trends are being assessed periodically and reviewed for improvement.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact Nil

b. Percentage of data breaches involving personally identifiable information of customers Nil

ANNEXURE VII

ANNUAL REPORT ON CSR ACTIVITIES (For FY 2023-24)

(To be annexed to Directors Report)

1. Brief outline on CSR Policy of the Company

For Mahindra EPC Irrigation Limited responsible business practices include being responsible for our business processes, products, engaging in responsible relations with employees, customers and the community. Hence the Corporate Social Responsibility for the Company goes beyond just adhering to statutory and legal compliances, and creates social and environmental value for our key stakeholders.

During FY 2023-24, as the Average Net Profit of the Company for immediate three preceding years was negative, the Company was not required (under Companies Act, 2013) to allocate any amount for CSR activities. The CSR Policy adopted by the Board is being followed.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ramesh Ramachandran	Chairperson	Nil	Nil
2.	S Durgashankar	Member	1	1
3.	Dr. Sudhir Kumar Goel	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company

The details of the weblink is -

CSR Policy and CSR Projects approved by the Board

https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Corporate_Social_Responsibility_Policy.pdf

Composition of CSR Committee:

<https://www.mahindrairrigation.com/board-of-directors/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) - Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	2023-24	Nil	Nil
	TOTAL	Nil	Nil

6. Average net profit of the company as per section 135(5) - Rs. Nil

7. CSR obligation:

- Two percent of average net profit of the company as per section 135(5) – Rs. Nil
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Rs. Nil
- Amount required to be set off for the financial year, if any – Nil
- Total CSR obligation for the financial year (7a + 7b – 7c) – Rs. Nil

8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
NA	Nil	NA	NA	NA	NA

b. Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency.	
				State.	District.						Name.	CSR Registration number.
1.	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2.												
3.												
	TOTAL											

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	NA	NA	NA	NA	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA	NA	NA	NA	NA
3.	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total	NA	NA	NA	NA	NA	NA	NA	NA

d. Amount spent in Administrative Overheads - Nil

e. Amount spent on Impact Assessment, if applicable - Not applicable

f. Total amount spent for the Financial Year (8b + 8c + 8d + 8e) - NA

g. Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. In lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	NA
(ii)	Total amount spent for the Financial Year	NA
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

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9. Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account Under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund.	Amount (in Rs.)	Date of transfer.	
1.	Nil	NA	NA	NA	NA	NA	NA
2.	Nil	NA	NA	NA	NA	NA	NA
	TOTAL	NA	NA	NA	NA	NA	NA

a. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed/ Ongoing.
1.	Nil	NA	NA	NA	NA	NA	NA	Nil
2.	Nil	NA	NA	NA	NA	NA	NA	Nil
3.	Nil	NA	NA	NA	NA	NA	NA	Nil
	TOTAL	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Nil

(asset-wise details).

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - Not applicable.

For and on behalf of the Board

Ramesh Ramachandran
Chairperson, CSR
Committee

Anand Daga
Director

Sunetra Ganesan
Chief Financial Officer

Place:Nashik

Dated: 4th June, 2024

ANNEXURE VIII TO DIRECTORS' REPORT

PARTICULARS AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2024

A. Conservation of Energy

Your Company has always been giving priority to the conservation of energy and technology upgradation. To conserve energy and reduce energy cost, various initiatives were taken during the year.

(a) the steps taken or impact on conservation of energy:

There has been reduction in MSEDCL Maximum contract Demand from 1490 KVA to 950 KVA.

(b) the steps taken by the company for utilising alternate sources of energy:

The Company has implemented roof top solar systems using renewable / natural resources and your Company would continue to explore alternative sources of energy in future.

(c) the capital investment on energy conservation equipments:

Nil

(d) Technology Absorption:

(i) the efforts made towards technology absorption

The Company has added following products by change/update in technology

75 mm QPC LITE

63 mm QPC LITE

16 mm Online lateral LITE

16-4-40 Round Inline LITE

32 mm Online Lateral LITE

Injection moulding 1 & 3 retrofitted by Amplifier card

Ext-15 perforation unit retrofitted as old technology was obsolete.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution

Technology has responded by being a true strategic partner with business. Many first mover implementations/developments have provided business, long lasting advantages to the Company.

Apart from product development, product improvement and effective cost management, technology has played a major role in ensuring high level of customer satisfaction and providing competitive advantage.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Nil

(a) the details of technology imported – NA

(b) the year of import – NA

(c) whether the technology been fully absorbed – NA

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

(iv) Expenditure of Research and Development:

		(Rs. In Thousands)	
		2023-24	2022-23
(a)	Capital Expenditure	Nil	Nil
(b)	Recurring Expenditure	177.36	103.97
(c)	Total	177.36	103.97
(d)	Total R&D expenditure as a % of total turnover	0.001	0.001

B. Foreign Exchange Earnings & Outgo

During the year under review, the Company got results of its long efforts in exports and recorded its highest ever revenue through exporting its products and systems to overseas customers. The Company's continued efforts to focus on potential countries are expected to yield better results in export business.

The details of foreign exchange earned and outgo during the year are as under:

	(Rs. In Thousands)
Foreign exchange earnings:	Rs. 8,27,08.03
Foreign exchange outgo:	Rs. 70,081.63

For and on behalf of the Board

Anand Daga **Ramesh Ramachandran**
Director Managing Director

Place: Nashik
Dated: 4th June, 2024

**ANNEXURE IX TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT
For the Financial Year Ended March 31, 2024**

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

To,
The Members,
Mahindra EPC Irrigation Limited
Plot no. H-109, MIDC Ambad, Nashik – 422010

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

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering from April 01, 2023 to March 31, 2024 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provision 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. ('Buy-back Regulations') **(Not Applicable to the Company during the Audit Period)**
- (vi) As identified, no law is specifically applicable to the company.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under.

We further report that

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

Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

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

All 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.

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

We further report that during the audit period the Company has Issued and allotted 25,204 Equity Shares of face value of Rs. 10/- each pursuant to EPC Industries Limited Employee Stock Option Scheme - 2014.

**For MMJB & Associates LLP
Company Secretaries**

**Saurabh Agarwal
Designated Partner**

FCS: 9290

CP: 20907

PR: 2826/2022

UDIN: F009290F000222206

Place : Mumbai

Date : April 23, 2024

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

Annexure A

To,
The Members,
Mahindra EPC Irrigation Limited
Plot no. H-109, MIDC Ambad, Nashik 422010

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For MMJB & Associates LLP
Company Secretaries**

**Saurabh Agarwal
Designated Partner**

FCS: 9290

CP: 20907

PR: 2826/2022

UDIN: F009290F000222206

Place : Mumbai

Date : 23rd April, 2024

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Annexure X FORM NO. AOC.1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs).

Sl. No.	Particulars	Details
1.	Name of the subsidiary	-
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-
4.	Share capital	-
5.	Reserves & surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	% of shareholding	-

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - **Not Applicable**
- Names of subsidiaries which have been liquidated or sold during the year - **Not Applicable**

Part "B": Associates and Joint Ventures

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

Name of Associates/Joint Ventures	Mahindra Top Greenhouses Private Limited
1. Latest audited Balance Sheet Date	31-Mar-2024
2. Shares of Associate/Joint Ventures held by the company on the year end - No.	1,800,000.00
Amount of Investment in Associates/Joint Venture	18,000,000.00
Extend of Holding %	60%
3. Description of how there is significant influence	Joint Venture
4. Reason why the associate/joint venture is not consolidated	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. In Lakhs)	0.00
6. Profit / Loss for the year (Rs. In Lakhs)	(72.14)
i. Considered in Consolidation	(47.14)
ii. Not Considered in Consolidation	(25.00)

- Names of associates or joint ventures which are yet to commence operations - **Not Applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year - **Not Applicable**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN: 09562621

Anand Daga
Director
DIN: 00696171

Abhijit Page
Chief Executive Officer

Sunetra Ganesan
Chief Financial Officer

R. V. Nawghare
Company Secretary

Place : Nashik

Date : 4th June, 2024

REPORT ON CORPORATE GOVERNANCE

(1) PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders' viz. the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner and by being fair to all stakeholders and is committed to maintain highest standards of corporate governance.

Creating Value

The Company also places great emphasis on values such as empowerment and integrity of its employees, safety of the employees and communities surrounding its plants, transparency in decision making process, fair and ethical dealings with all and accountability to all the stakeholders. These practices which are being followed since inception have contributed to the Company's sustained growth. The Company firmly believes, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation.

Governance Structure

The Corporate Governance structure of the Company is as follows:

- Board of Directors
- Committees of the Board
- Chairman
- Managing Director
- Non-Executive Directors including Independent Directors

A detailed report on corporate governance pursuant to the requirements of the listing agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), forms part of the Annual Report. A certificate from the statutory auditors of the Company, confirming compliance of conditions of Corporate Governance as stipulated under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given herein below.

(2) BOARD OF DIRECTORS ("Board")

The composition of the Board of Directors is in conformity with the Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable

guidance and expert advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.

The Board has an ideal combination of Executive and Non-Executive Directors with the Chairman being Non-Executive Director. The number of Non-executive Directors comprising of three Independent Directors is one-half of the total number of Directors including one Woman Independent Director. The Board reviews and approves strategy and oversees the performance of the management to ensure that the long term objectives of enhancing stakeholders' value are met.

The Management of the Company is entrusted in the hands of Key Managerial Personnel(s), headed by Mr. Ramesh Ramachandran – Managing Director, Mr. Abhijit Page - Chief Executive Officer (CEO) and Ms. Sunetra Ganesan - Chief Financial Officer, who operate under the supervision and control of the Board.

Mr. Shriprakash Shukla, the Non-Independent, Non-Executive Director, is the Chairman and Mr. S Durgashankar is Non-Executive – Non-Independent Director.

The remaining three Non-Executive Directors are Independent Directors and are professionals from diverse fields possessing requisite qualifications and experience which enable them to discharge their responsibilities and enhance the quality of Board's decision-making process.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, opined that the Independent Directors are persons of integrity and possess the relevant expertise and experience that fulfils the conditions specified in the Listing Regulations and the Act for appointment of Independent Directors and are Independent of the Management.

Apart from reimbursement of expenses incurred and the commission paid in the discharge of their duties and the remuneration that a Director may receive for professional services rendered to the Company through a firm in which he is a partner, none of the Independent Directors have any material pecuniary relationships

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or transactions with the Company, its Promoters, its Directors, its Senior Management or its Affiliates which in their judgment would affect their independence during the two immediately preceding financial years or during the current financial year. All the independent directors have given confirmation in this regard.

None of the Directors of the Company are inter-se related to each other.

The Senior Management personnel also have made disclosures to the Board confirming that there is no material, financial and/or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

a) Composition of the Board:

The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Directors on the Board is a Member of more than 10 public limited companies (as prescribed in Section 165 of the Companies Act, 2013) or act as an independent director in more than 7 listed companies or 3 listed companies in case he /she serves as Whole Time Director in any listed company (as specified in applicable Regulation 25 of the Listing Regulations), across all the Companies in which he/she is a Director, including separately the names of the listed entities where the person is a director and the category of directorship. Thus, the composition of the Board of Directors is in conformity with the Regulation 17 of SEBI Listing Regulations read with Section 149 of the Companies Act.

As per Regulation 17A of SEBI Listing Regulations, all directors meet the criteria of maximum number of directorship. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

Sr. No.	Directors & Director Identification number (DIN)	Total Number of Directorships of companies#, Committee Chairmanships and Memberships, as on 31 st March, 2024.			Name of listed entities where the Director is a director along- with the category of directorship excluding the Company.
		Directorships \$	Committee Chairmanships+	Committee Memberships+	
	NON-EXECUTIVE, NON-INDEPENDENT				
1	Mr. Shriprakash Shukla (DIN-00007418)	5	–	–	1. CIE Automotive India Limited (Chairperson, Non-Executive Non- Independent Director)
2	Mr. S. Durgashankar (DIN-00044713)	5	2	1	1. EID Parry (India) Limited (Non-Executive -Independent Director) 2. Seshasayee Paper And Boards Limited - (Non-Executive - Independent Director)
	NON-EXECUTIVE, INDEPENDENT				
3	Dr. Sudhir Kumar Goel (DIN-02965596)	4	1	2	NIL
4	Ms. Aruna Bhinge (DIN-07474950)	4	–	4	1. Laurus Labs Limited (Non-Executive Independent Director) 2. Punjab Chemicals and Crop Protection Limited (Non-Executive Independent Director)
5	Mr. Anand Daga (DIN-00696171)	2	1	1	NIL
	EXECUTIVE				
6	Mr. Ramesh Ramachandran Managing Director (DIN-09562621)	2	–	1	NIL

Excludes private limited companies/ foreign companies and companies under Section 8 of the Companies Act, 2013.

\$ Includes Directorship in Mahindra EPC Irrigation Limited.

+ Committees considered are Audit Committee and Stakeholders Relationship Committee held in all the public companies including that of Mahindra EPC Irrigation Limited.

b) Number and dates of Board meetings held and Attendance of the Directors at Meetings of the Board and at the Annual General Meeting:

The Board meets at least once in a quarter to consider among other business, quarterly performance of the Company and the financial results. During the financial year under review, six Board Meetings were held on the following dates 28th April 2023, 26th July, 2023, 2nd August 2023, 30th August 2023, 30th October 2023 and 29th January 2024. The gap between two Meetings did not exceed 120 days. These meetings were well attended. The 41st Annual General Meeting of the Company was held on 26th July, 2023.

The attendance of the Directors at these meetings is as under:

Directors	Number of Board Meetings Attended	Attendance at the AGM
Mr. Shriprakash Shukla	6	Yes
Mr. Ashok Sharma*	4	Yes
Dr. Sudhir Kumar Goel	6	Yes
Mr. S. Durgashankar	6	Yes
Ms. Aruna Bhinge	6	Yes
Mr. Anand Daga	6	Yes
Mr. Ramesh Ramachandran+	2	NA

* Resigned w.e.f. 31-8-2024 + appointed w.e.f. 1-9-2024

c) Board Procedure:

A detailed agenda folder, alongwith necessary supporting papers are sent to each Director in advance of the Board Meetings and to the concerned members of the Committee Meetings. Video Conferencing facilities are provided to enable Director(s) who are unable to attend the Meeting(s) in person, to participate in the Meeting via Video Conferencing. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting the overall performance of the Company. The Board also inter alia reviews strategy and business plans, annual operating and capital expenditure budgets, compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non- compliances, review of major legal issues, adoption of quarterly/half yearly/annual results, risk management, significant labour issues, major accounting provisions and write-offs, minutes of meetings of the Audit and other Committees of the Board and information

on recruitment of Officers just below the Board level, including the Company Secretary and Chief Financial Officer.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value. The Company has well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision-making process at the Meetings in an informed and efficient manner. Apart from Board Members and the Company Secretary, the Board and Committee Meeting(s) are also attended by the Chief Financial Officer and wherever required by the Heads of various Corporate Functions.

d) Code of Conduct:

Your Company had adopted Code of Ethics ("Code") recommended by Bombay Chamber of Commerce and Industry for its Directors and Senior Management personnel and employees. The Code of Ethics has been posted on the Company's website at https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Code_of_Conduct_of_Board_of_Directors_and_Senior_Management_Personnel.pdf

This Code enunciates the underlying principles governing the conduct of the business and seeks to reiterate the fundamental precept that good governance must and would always be an integral part of the Company's culture. The Code further provides the duties of Independent Directors as laid down in the Companies Act, 2013.

All Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by Managing Director and Chief Executive Officer is enclosed at the end of this Report.

e) Certificate from Practicing Company Secretary

Certificate, as required under Part C of Schedule V of Listing Regulations, received from M/s. MMJB & Associates LLP Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified for the financial year ending on 31st March, 2024 from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority, was placed before the Board of Directors at their meeting held on 23rd April, 2024 and is enclosed with this Report as **Annexure A**.

f) Key Board qualifications, expertise and attributes

The Board of Directors of the Company recognizes that qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarises the key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board.

Skill and its description	Mr. Shriprakash Shukla	Mr. Ramesh Ramachandran	Mr. S Durgashankar	Dr. Sudhir Kumar Goel	Mr. Anand Daga	Ms. Aruna Bhinge
Financial Proficiency in financial accounting and reporting, corporate finance and internal controls.	✓	✓	✓		✓	✓
Leadership Leadership experience for a significant enterprise, understanding of organization's processes, strategic planning and risk management.	✓	✓	✓	✓	✓	✓
Technology A strong understanding of technology and innovation, and the development and implementation of initiatives to enhance production.	✓	✓				✓
Corporate Governance Experience with a major organisation that demonstrates rigorous governance standards.	✓	✓	✓	✓	✓	✓
Mergers and Acquisition Experience in corporate transactions and actions and joint ventures.	✓	✓	✓		✓	✓
Environmental, Social and Governance Familiarity with issues associated with workplace health and safety, environment and social responsibility.	✓	✓	✓		✓	✓
Sales and Marketing Experience in developing strategies to grow sales, build brand awareness and equity.		✓		✓	✓	

g) Directors seeking appointment/re-appointment

The Board based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Shareholders of the Company, considered and approved:

Appointment of Mr. Viswanathan Kapilanandan (DIN:00021159) as Non-Executive Independent Director on the Board of Directors of the Company, with effect from 4th June, 2024, to hold office of Independent Directors for a term of 5 (Five) consecutive years commencing from 4th June, 2024 to 3rd June, 2029 (both days inclusive) subject to approval of members in the ensuing meeting and Appointment of Ms. Ami Goda (DIN: 09136149) as an additional Non-Executive Non-Independent Director on the Board of Directors of the Company, with effect from 4th June, 2024, to hold office of Director till the ensuing Annual General Meeting.

Mr. Viswanathan Kapilanandan – Non-Executive Independent Director

Mr. Viswanathan Kapilanandan, aged 44 years, holds an MBA from Harvard Business School and an MS in Management Science and Engineering from Stanford University.

He has been instrumental in the conception and establishment of Krea University, and is a member of its Governing Council. With a mission to prepare humanity for an unpredictable world, Krea University aims to re-imagine research and learning for the world of the future. The University is backed by a strong governing council, composed of distinguished leaders from academia and industry.

Mr. Kapil is also the President of the Institute for Financial Management and Research (IFMR), a 50-year old not-for-profit society, focused on education and research. IFMR is the sponsoring body of Krea University.

Previously, Mr. Kapil was the co-founder and co-CEO of Lumina Datamatics (erstwhile PreMedia Global), an ed-tech company employing over 2000 people across the US, Europe and India. Founded in 2005 and headquartered in Boston, the company grew rapidly to become the leading partner for global content companies such as McGraw Hill and Pearson Learning. The company's organic growth trajectory was bolstered by a Mergers and Acquisitions strategy, which culminated in the successful acquisition and integration of four US-based companies between 2005 and 2008. In 2014, the company merged with the content technology division of Mumbai-based Datamatics Global Services. After overseeing the integration of this merger, Mr. Kapil and his co-founder exited the business, 10 years after its founding. After the exit in 2016, Mr. Kapil dedicated himself to the philanthropic cause of starting Krea University.

Earlier in his career, Mr. Kapil worked in global sales for Tata Consultancy Services, spanning markets in Australia, Asia, UK and the US, and participated in the corporate think tank. He has served on corporate boards for the past 25 years. He is the Managing Director of Enfield Agrobases, a social enterprise focused on organic agriculture and rural development. Mr. Kapil periodically contributes columns in leading newspapers.

Mr. Kapil is a Director on the Boards of Entreaty Management Services Private Limited, Atal Incubation Centre Catalyst, Coimbatore Automobiles Private Limited, Chennai Two Wheelers Ltd., Dilsebol Customized Apparel Pvt. Ltd., Aura Finance and Holdings Pvt. Ltd., Matrix Agriculture Pvt. Ltd., Medhas Consultant Pvt. Ltd., Enfiled Agrobases Limited and Mahindra HZPC Private Limited.

Mr. Kapil does not hold membership in any Board Committee.

Ms. Ami Goda – Non-Executive Non- Independent Director

The Board based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Shareholders of the Company, considered and approved:

Appointment of Ms. Ami Goda (DIN: 09136149) as Non-Executive Non- Independent Director on the Board of Directors of the Company, with effect from 4th June, 2024.

Ms. Ami Goda, aged 44 years, is an MBA from Narsee Monjee Institute of Management Studies, Mumbai.

She has an extensive experience of 17 years primarily in Corporate Finance. She has held positions of responsibility in Business Finance, Commercial Finance, Supply chain Finance, Pricing, Deal structuring and Financial Planning. She has joined Mahindra & Mahindra Limited from General Electric (GE) where she was responsible for the \$1Bn Equipment and Services business for Onshore Wind Asia region. During her 14 years at GE, she has worked across multiple business segments - Financial services, Healthcare, Transportation, Renewables Onshore and across geographies - Asia, Growth markets and India.

Currently she is working as a Chief Financial officer at Mahindra & Mahindra Ltd., Farm Equipment Sector, Kandivali from 1st April 2023.

Ms. Ami Goda is a Director on the Boards M.I.T.R.A. Agro Equipments Private Limited, Mahindra Solarize Private Limited and Mahindra HZPC Private Limited. Ms. Ami Goda is a Chairman of Audit Committee of Mahindra HZPC Private Limited.

h) Disclosure on relationships between Directors inter-se

The Directors have made disclosure that there are no relationships between directors inter-se.

i) Number of Shares and Convertible instruments held by Non-executive Directors.

The Non-executive Directors have made disclosure that they are not holding any Shares of the Company.

j) Web link where details of familiarization programmes imparted to independent directors is disclosed.

During the year under review, the Company has taken steps to familiarize its directors including Independent Directors by periodic presentations about the Company operations, business model, business strategy and risks involved, industry in which the Company operates and their roles and responsibilities. The details of such programme are posted on the Company website: https://www.mahindrainirrigation.com/wp-content/uploads/2024/04/Familiarization_Programmes_for_Independent_Directors.pdf.

CEO/CFO Certification

The Chief Executive Officer and Chief Financial Officer of the Company have jointly given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations.

k) Resignation of Independent Director(s)

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

(3) Risk Management

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organisational structure for managing and reporting on risks.

The assessment of various risks pertaining to the various aspects of business and the steps taken to mitigate risks is reviewed and monitored in the meetings of the Risk Management Committee and the Meeting of the Board of Directors. The Company has adopted Risk Management Policy and the Risk Management Committee monitors the same. The details of the Risk Management Committee and its broad terms of reference are given in this report.

(4) Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

a) Brief description of terms of reference

The Audit Committee comprises of three Non- Executive Directors and majority of whom are Independent Directors namely, Mr. Anand Daga as the Chairman (w.e.f. 24th July, 2019) of the Committee and Mr. S Durgashankar and Dr. Sudhir Kumar Goel as other members of the Committee.

The members of the Audit Committee possess accounting and financial management knowledge and are financial literate.

The Company Secretary is the Secretary of the Audit Committee.

The terms of reference of this Committee are very wide. The broad terms of reference of the Audit Committee include:

- a) Review of the Company's financial reporting process and its financial statements.
- b) Review of accounting and financial policies and practices.
- c) Review of the internal control and internal audit system.
- d) Discussing with statutory Auditors to ascertain any area of concern.
- e) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- f) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- g) Examination of the financial statement and the auditors' report thereon;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Monitoring the end use of funds raised through public offers and related matters;
- m) Review of the financial statements before their submission to the Board
- n) If required, discuss with the internal and statutory auditors and the management of the company any issues related to internal control system, scope of audit and financial statements and the observations of the auditors.
- o) Investigate into any matter in relation to the items specified above or matters which are referred to it by the Board and for this purpose, to obtain professional advice from external sources and have full access to information contained in the records of the Company.
- p) Establish vigil mechanism as may be prescribed to enable directors and employees to report genuine concerns and also shall provide for adequate safeguards against victimization of persons who use such mechanism.
- q) Review the uses/application of funds raised by the Company either by public / rights issue of shares or any other securities.
- r) To review the functioning of the whistle blower mechanism.

The Audit Committee also receives the report on compliance under the SEBI (Code of Conduct for Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy are also placed before the Committee.

Generally, all items under Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered in the terms of reference and Role of the Audit Committee. The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to investigate the activity within its terms of reference,

seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise.

b) Meetings and Attendance during the year

The meetings of the Audit Committee are also attended by the Managing Director, Statutory Auditors, Chief Executive Officer, Chief Financial Officer, Internal Auditor and the Company Secretary. The Chairman of the Audit Committee was present at the 41st Annual General Meeting of the Company held on 26th July, 2023.

The Committee met four times during the year under review. The Committee Meetings were held on the following dates – 28th April, 2023, 26th July, 2023, 30th October, 2023 and 29th January, 2024. The attendance at the Meetings is as under:

Members	Number of Meetings attended
Mr. Anand Daga	4
Mr. S. Durgashankar	4
Dr. Sudhir Kumar Goel	4

(5) Nomination and Remuneration Committee

The Company has Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013.

The NR Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company’s HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMPs and Senior Management. The Committee also anchored the performance evaluation of the Individual Directors.

(a) Brief description of terms of reference

The Terms of Reference of the Nomination and Remuneration Committee is to:

- i) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria to be laid down, recommend to the Board their appointment and removal; and shall carry out evaluation of every Director’s performance.
- ii) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- iii) Review performance of the Managing Director and recommend to the Board the remuneration payable to him and administering the Employees Stock Options Scheme.

The Committee also administers the Company’s ESOP Scheme and takes appropriate decisions in terms of the said scheme.

The Company has adopted the policy on Directors and Key Managerial Personnel and other employees, appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee has further determined the criteria for evaluation of Independent Directors performance and the performance of Chairman, Board and Committees.

(b) Composition, Name of members and Chairperson

The Committee comprises three Non-Executive Directors, majority of whom are Independent Directors namely Mr. Anand Daga – Chairman and Dr. Sudhir Kumar Goel- member of the Committee. Mr. S. Durgashankar being the non-independent director also forms part of the committee.

(c) Meetings and Attendance during the year

The Committee met four times during the year under review. The Committee Meetings were held on the following dates 28th April, 2023, 26th July, 2023, 2nd August, 2023 and 30th August, 2023.

The attendance of the meeting is as under:

Members	Number of Meetings attended
Mr. Anand Daga	4
Mr. S. Durgashankar	4
Dr. Sudhir Kumar Goel	4

(d) Independent Directors and performance evaluation

The Independent Directors of your Company had a meeting on 28th April, 2023 without the presence of the Executive Chairman, Managing Director, other Non-Independent Director(s) or any other Management Personnel.

The Meeting was conducted in an informal and flexible manner to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Chairman of the Board (taking into account the views of Non- Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Nomination and Remuneration Committee has laid down the evaluation criteria for Independent Directors and the same has been done by the entire Board of Directors. The performance criteria include whether a director possesses sufficient skills, experience and level of preparedness to add value to discussions and decisions, challenge views constructively, knowledge about Company's business, the industry in which company operates and global trends etc.

The Company had organized programmes at regular intervals to familiarize the independent directors with the company, their roles, rights and responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc. Quarterly updates on relevant statutory changes on important laws are regularly circulated to Directors. Plant visits are organized for the Directors to enable them to understand the operations of the Company.

(6) Stakeholders Relationship Committee:

The Company has Stakeholders Relationship Committee under the provisions of the Companies Act, 2013. Mr. Ashok Sharma, was the member of the Committee till 31st August, 2023 and w.e.f. 1st September, 2023 the Committee was reconstituted and functions under the Chairmanship of Dr. Sudhir Kumar Goel. Mr. Ramesh Ramachandran and Ms. Aruna Bhinge are other Members of the Committee. Mr. Ratnakar Nawghare, Company Secretary is the Compliance Officer of the Company. The Stakeholders Relationship Committee resolves the grievances of security holders of the Company.

As per Section 178(7) of the Companies Act, 2013, the Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him on his behalf shall attend the General Meetings of the Company.

During the year under review, there was one complaint received from the Shareholder. There were no investor complaints remaining unresolved and pending as at 31st March, 2024.

The Committee met on 26th July, 2023, and 29th January, 2024. The meetings were attended by all the members of the Committee. The attendance of the meeting is as under:

Members	Number of Meetings attended
Dr. Sudhir Kumar Goel	2
Mr. Ramesh Ramachandran	1
Ms. Aruna Bhinge	2
Mr. Ashok Sharma	1

(7) Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee is a committee constituted by the Board with powers, inter alia, to make donations/contributions to any charitable and / or CSR projects or programs to be implemented

directly or through an executing agency or other Not for Profit Agency with minimum three years proven track record or through a corporate foundation or other reputed Non-Governmental Organisation, of at least two percent of the Company's average net profits during the three immediately preceding financial years in pursuance of its CSR Policy for the Company's CSR initiatives.

The scope and functions of the Committee includes, inter alia, recommendation to the Board for its approval an amount of expenditure to be incurred on the CSR activities as enumerated in the Schedule VII of the Companies Act, 2013 and also referred to in the CSR Policy of the Company, as also to monitor the CSR Policy from time to time, etc.

However, the provisions under section 135 of the Companies Act, 2013 are not applicable to the Company and the Company is not under any obligation to constitute CSR Committee. Thus, the Company has not spent any amount on CSR projects in the financial year FY 2023-24.

The CSR Policy for your Company as duly amended is displayed on the Company's website: https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Corporate_Social_Responsibility_Policy.pdf

Pursuant to the resignation as Managing Director Mr. Ashok Sharma ceased to be the Chairman of the Committee w.e.f. 31st August 2023. The Committee was reconstituted and Mr. Ramesh Ramachandran has been appointed as the Chairman of the Committee. Dr. Sudhir Kumar Goel and Mr. S Durgashankar are the other members of the Committee. The Committee Meeting was held on 28th April, 2023 and it was attended by all the members of the Committee.

(8) Risk Management Committee

The Company has Risk Management Committee in accordance with the Companies Act, 2013 and SEBI Listing Regulations, to monitor and review risk management plans of the Company including cyber security.

(a) Composition, Name of members and Chairperson

Pursuant to the resignation as Managing Director Mr. Ashok Sharma ceased to be the Chairman of the Committee w.e.f. August 31, 2023. The Committee was reconstituted and the Committee functions under the Chairmanship of Mr. Ramesh Ramachandran, Mr. S. Durgashankar and Mr. Anand Daga are the other members of the Committee.

(b) Meetings and Attendance during the year

During the year, the meetings were held on 28th April, 2023, 26th July, 2023 and 18th January, 2024 and were attended by all the members.

(c) Brief description of terms of reference:

The broad roles and responsibilities of the Committee would be:

- a) To formulate a detailed risk management policy which shall include:

- i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 - c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 - d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 - e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 - f) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.
 - g) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

(9) Senior Management

The particulars of the Senior Management of the Company is as below:

Name	Designation
Mr. Abhijit Page	Chief Executive Officer
Ms. Sunetra Ganesan	Chief Financial Officer
Mr. Ratnakar Nawghare	Company Secretary
Mr. Rajesh Dhote	Head Sales and Marketing
Mr. Padam Kumar Gandhi	Head Operations

During the year 2023 – 2024 there have been no change in the senior management of the Company except for the resignation of Mr. Ramesh Rathore – Head Sales and Marketing with effect from 31st March, 2023 and appointment of Mr. Rajesh Dhote as Head Sales and Marketing with effect from 1st June, 2024.

(10) Remuneration of Directors

Your Company has a well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees. The Policy was approved by the Board of your Company on 30th March, 2015 based on the recommendations made by the Nomination and Remuneration Committee. This Policy is furnished in Annexure V to the Directors' Report.

(a) Pecuniary relationship or transactions of the non-executive directors

Apart from reimbursement of expenses incurred and the commission paid in the discharge of their duties and the remuneration that a director may receive for professional services rendered to the Company through a firm in which he is a partner, none of the Non- executive Independent Directors have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Affiliates which in their judgment would affect their independence. All the non-executive Independent Directors have given confirmation in this regard. None of the Directors of the Company are inter-se related to each other.

(b) Criteria of making payments to non-executive directors

The non-executive Independent Directors are paid sitting fees of Rs. 30,000 for attending the meetings of the Board of Directors and Rs. 20,000 for attending Committee meetings of the Board and reimbursement of expenses incurred for attending the meetings of the Board of Directors of the Company and Committees thereof. The sitting fees paid to Non-Executive Directors for the year ended 31st March, 2024 alongwith their shareholdings are as under:

Directors	Sitting Fees for the Board Meetings and Committee Meetings held during the year ended 31 st March, 2024 (in Rupees)	Shareholding in the Company
Dr. Sudhir Kumar Goel	4,00,000	Nil
Mr. S. Durgashankar	—	Nil
Mr. Shriprakash Shukla	—	Nil
Ms. Aruna Bhinge	2,20,000	Nil
Mr. Anand Daga	4,00,000	Nil
Total	10,20,000	

Further the Independent Directors are entitled to receive a commission of Rs. 5 lacs each or 1% of annual Net Profit of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Act or rules framed thereunder whichever is lower from time to time commencing from the FY – 2015-16 in lieu of their services to the Company. The shareholders in the Annual General Meeting dated 31st July, 2015 had accorded their consent for the same. In view of the profit for the year 2023-24, the Commission payable to the Independent Directors is Rs. 2.43 lacs as approved by the Board of Directors of the Company.

The Non-Executive Non-Independent Directors have waived their rights to receive sitting fees for attending the Meetings of the Board of Directors or any Committee thereof on which they may be appointed from time to time or any other remuneration payable to the Non-Executive Directors of the Company, effective from the date of their appointment as a Director on the Board of Directors of the Company, during their tenure as a Non-Executive Non-Independent Director of the Company.

(c) Disclosures with respect to Remuneration:

(i) Elements of remuneration package

During the year under review, the consolidated remuneration of Rs. 45 lacs per annum was payable to Mr. Ashok Sharma as Managing Director with effect from 1st October, 2023, however, he ceased to be the Managing Director from 31st August, 2023. Mr. Ramesh Ramachandran was appointed as the Managing Director with effect from 1st September, 2023 on a consolidated remuneration of Rs. 25.00 lakhs per annum. Mr. Ramesh Ramachandran being appointed w.e.f. 1st September 2023 (for a period of three years) on a consolidated remuneration of Rs. 25.00 lakhs per annum.

(ii) Details of fixed component and performance linked incentives along with the performance criteria.

There are no variable components of the remuneration payable to Mr. Ashok Sharma (till 31st August, 2023) and to Mr. Ramesh Ramachandran from 1st September, 2023. Further, Mr. Ramesh Ramachandran is also receiving the remuneration from Mahindra Agri Solutions Limited.

The detailed criteria for the evaluation of Board and Directors' performance are in place. All board members annually provide their assessment of the performance of the Board and its Committees by way of response to a questionnaire. Additionally, all Board members also provide a self-evaluation of their performance annually. The performance of executive director is being evaluated by the

Nomination and Remuneration Committee and the performance of Independent Directors is evaluated by the Board. The Director being evaluated does not participate in the meeting at the time of their respective evaluation.

(iii) Service contracts, notice period, severance fees

The appointment letter is issued to the Managing Director as per the policy of the Company and the appointment can be terminated by either party by giving three months' notice in writing as per the Company's policy. There is no separate provision for payment of severance fees.

(iv) Stock option details

During the year under review, the Company has not issued any stock options to any Directors.

(11) General Body Meetings:

(a) Location and time, where last three annual general meetings held and Special Resolution passed

Year ended	Date	Time	Special Resolution passed
31 st March, 2021	Thursday, 22 nd July, 2021	10:30 a.m.	1. Re-appointment of Dr. Sudhir Kumar Goel (DIN: 02965596) Non-Executive Independent Director for further period of 3 consecutive years, not liable to retire by rotation to the Board of Directors of the Company.
			2. Revision in remuneration of Mr. Ashok Sharma (DIN: 02766679), Managing Director of the Company.
31 st March, 2022	Friday, 29 th July, 2022	05:00 p.m.	1. Appointment of Ms. Aruna Bhinge (DIN: 07474950) Non-Executive Independent Director for a further period of 3 consecutive years, not liable to retire by rotation to the Board of Directors of the Company.
31 st March, 2023	Wednesday, 26 th July, 2023	03:00 p.m.	1. Re-appointment of Mr. Ashok Sharma as Managing Director of the Company and approval of remuneration with effect from 1 st October, 2023.

All the above Meetings were held at Plot No. H-109, MIDC Ambad, Nashik- 422 010.

No Extraordinary General Meeting was held during the past three years.

(b) Postal Ballot

During the year under review, the Company has passed a special resolution through postal ballot on 6th October, 2023 for appointment of and approval of the remuneration payable to Mr. Ramesh Ramachandran with effect from 1st September, 2023.

Procedure adopted for postal ballot

In pursuance of Section 110 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and guidelines prescribed by the Ministry of Corporate Affairs ("MCA") vide its General circular no. 11/2022 dated 28th December, 2022 read with earlier general circulars issued in this regard viz. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021 and 3/2022 dated 5th May, 2022 (collectively referred to as the "MCA Circulars"), Secretarial Standards on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations, if any, the approval of members of the Company was sought by way of Postal Ballot for the following matter:

- Appointment of Mr. Ramesh Ramachandran as Managing Director of the Company and approval of remuneration with effect from 1st September, 2023.

The Notice of Postal Ballot dated 30th August, 2023 comprising the resolution proposed for approval of the members and the explanatory statement thereto and reasons thereof, was sent only by email on Monday, 4th September, 2023 to the Members, whose email addresses were registered with the Depositories (in case of Members holding shares in Demat form) or with Registrar and Share Transfer Agent of the Company (in case of Members holding shares in physical form) and whose names appear in the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as on Friday, 1st September, 2023 ("cut-off date").

Postal Ballot, as per the MCA Circulars meant voting only by electronic means through the remote e-voting facility and accordingly the Members were required to communicate their assent or dissent through the remote e-voting facility only.

In Compliance with Rule 22(3) of the Companies (Management and Administration) Rules, 2014, the Company had issued public notice by way of advertisement in the newspapers viz: Business Standard (in English), Free Press Journal (in English) on 5th September, 2023 and Navshakti (in Marathi) on 6th September, 2023 (including their electronic editions), in respect of Postal Ballot and providing information relating to manner and duration of remote e-voting, Manner in which shareholders whose emails addresses are not registered may cast their vote through remote e-voting, manner of registering email address and other required information. The copy of the same was submitted to BSE Limited and National Stock Exchange of India Limited and was also placed on the website of the Company.

The Company provided the remote e-voting facility to enable the members to cast their vote in electronic mode through the Registrar and Share Transfer Agent of the Company i.e., KFin Technologies Limited ("KFintech" or "RTA"). Further, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", all the individual shareholders holding shares in demat mode, were able to cast their vote through the remote e-voting by way of single login credential through their demat accounts / websites of Depositories / Depository Participants (DPs).

The remote e-voting of KFintech was enabled on Thursday, 7th September, 2023 at 9:00 a.m. (IST) and was disabled on Friday, 6th October, 2023 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares in physical and dematerialized form, as on the cut-off date, were able to cast their vote through remote e-voting on the resolution set out in the Notice of Postal Ballot.

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2015, the Board of Directors at its meeting held on 30th August, 2023 had appointed Ms. Sujata Rajebahadur, Practicing Company Secretary (Membership No. FCS 5728), Nashik as the Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner. Further, the Board had authorized the Chairman or Company Secretary of the Company to receive the Scrutinizer's Report and declare the Result of voting.

Upon expiry of the Remote e-voting period, the Scrutinizer unblocked the votes cast through the remote e-voting on Friday 6th October, 2023 at 05.09 p.m. Thereafter the Scrutinizer carried out the

scrutiny of votes cast through the remote e-voting on the item of business set out in the Notice of Postal Ballot dated Wednesday, 30th August, 2023.

On the basis of the Voting Result as well as Scrutinizer's Report dated 6th October, 2023, the result of the Postal Ballot was declared at the Registered Office of the Company on 6th October, 2023 and the Special Resolution as per the Postal Ballot Notice have been duly passed by the members of the Company with requisite – majority.

The summary of the voting result is given below:

Resolution passed through Postal Ballot	Votes in favour of the resolution (% of total number of valid votes)	Votes against the resolution (% of total number of valid votes)	Invalid votes	Abstained from voting	Result
Appointment of Mr. Ramesh Ramachandran as Managing Director of the Company and approval of remuneration with effect from 1 st September, 2023.	99.9921	0.0079	0	0.0000	Passed with more than requisite majority

Further, the Company does not have any proposal for passing any special resolution through postal ballot, at the ensuing Annual General Meeting.

(12) Means of Communication

The Company recognizes the importance of two-way communication with Shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company from time to time and as may be required, communicates with its security-holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchange, Press Release, Annual Report, uploading relevant information on its website and publishing financial results in newspapers.

The financial results are published in newspapers namely, Business Standard, Free press Journal and Nav shakti which are national and local dailies respectively.

Your Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 of the Listing Regulations, including material information having a bearing on the performance/ operations of the Company and other price sensitive information.

No presentations were made to institutional investors / analysts.

SEBI processes investor complaints in a centralised web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company uploads the action taken report on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Members may utilise the facility extended by the Registrar and Transfer Agent for redressal of queries, by visiting <https://kprism.kfintech.com/investor/query/Correspondence.aspx>.

Investors can submit their query in the option provided on the above website, which would generate a registration number. For accessing the status / response to the query submitted, the grievance registration number can be used at the option "Click here to track your query" on right hand corner of above website. Investors can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Members are requested to note that KFin Technologies Limited (KFinTech) has launched a mobile application KPRISM and a website <https://kprism.kfintech.com> for online service to Members. Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFinTech, Dividend status, requests for change of address, change/update Bank Mandate. Through the Mobile app, members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. The Members may alternatively visit the link <https://kprism.kfintech.com/app/> to download the mobile application.

(13) Auditors remuneration and fees

The total fees for all services paid by the Company and its JV Mahindra TOP Greenhouses Private Limited to the Statutory Auditors- Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) on a consolidated basis for the financial year 2023-24 was Rs. 0.39 Cores plus applicable Goods and Services Tax and out of pocket expenses.

The details of the total fees for all services paid by the Company to the Statutory Auditors are as follows:

(Rs. in crore)

Type of Service	Financial Year 2023-24*	Financial Year 2022-23*
Audit Fees*	0.39	0.37
Others	0.02	0.07
Total	0.41	0.44

* Includes Audit and Audit-related services on a consolidated basis.

The Audit Fees paid to the auditors for the financial year ended 31st March, 2024 is covered separately in the Notes to Accounts.

(14) Details of complaints received, if any, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has constituted Internal Complaints Committee (ICC) to consider and resolve all sexual harassment complaints. The constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Committee includes an external member who is an independent POSH consultant with relevant experience.

The details of sexual harassment complaints for the year ended 31st March, 2024 are furnished as under:

Particulars	No. of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on the end of the financial year	Nil

(15) General Shareholder Information:

(a) 42nd Annual General Meeting

Date: 19th July, 2024

Time : 3.30 p.m.

Deemed

Venue: Plot No.H-109, MIDC Ambad, Nashik-422 010

(b) Financial Year of the Company

The financial year covers the period from 1st April to 31st March.

Financial Reporting for:

Quarter ending

30th June, 2024– Second week of August, 2024

Half-year ending

30th September, 2024 – Second week of November, 2024

Quarter ending

31st December, 2024 – Second week of February, 2025

Year ending

31st March, 2025– End of May, 2025

Note: The above dates are indicative.

(c) Listing of Equity Shares on Stock Exchange

Your Company's Shares are listed on BSE Limited situated at Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001, and on National Stock Exchange of India Limited, situated at Exchange Plaza, C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051. The requisite listing fees have been paid in full to both the Stock Exchanges.

(d) Stock Code

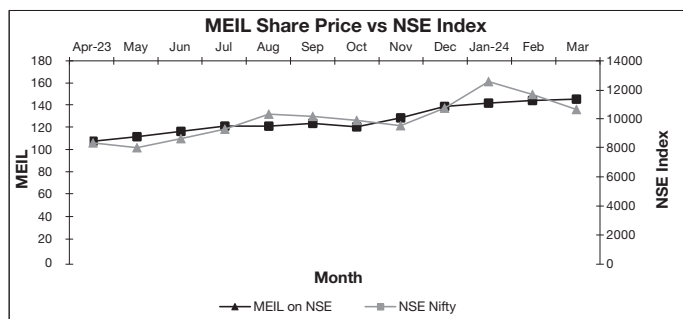
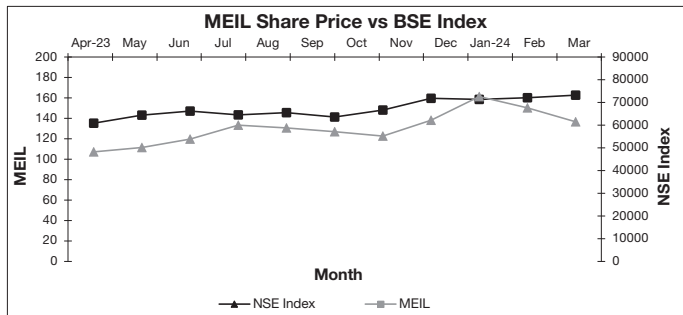
1. BSE Limited: 523754
2. National Stock Exchange Limited: MAHEPC
3. Demat International Securities Identification Number (ISIN) in NSDL and CDSL for Equity Shares: INE215D01010

(e) Stock Price Data of Equity Shares listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited:

Stock Exchanges	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Month				
April, 2023	107.30	87.80	107.65	86.25
May, 2023	103.05	92.00	103.35	94.55
June, 2023	111.65	97.00	111.50	97.10
July, 2023	120.00	100.80	120.00	102.60
August, 2023	133.85	106.05	133.50	105.00
September, 2023	131.10	114.45	131.50	114.55
October, 2023	127.35	110.00	127.90	108.05
November, 2023	123.00	110.05	123.15	112.25
December, 2023	138.75	115.95	138.90	114.50
January, 2024	162.25	126.00	162.80	126.10
February, 2024	151.05	126.35	151.20	130.60
March, 2024	137.20	114.05	137.70	114.00

(f) Stock Performance

The performance of the Company's shares relative to the BSE Sensitive Index and NSE Sensitive Index is given in the chart below:



(g) Suspension of Securities

Your Company's shares were not suspended during the year under review.

(h) Registrar and Transfer Agent

KFin Technologies Ltd.
 Selenium Tower B, Plot 31 & 32,
 Financial District, Nanakramguda,
 Serilingampally Mandal,
 Hyderabad - 500 032, Telangana.
 Contact details:-
 Investor Service Toll Free No: 1800-309-4001
 Email: einward.ris@kfintech.com

(i) Share Transfer System

Trading in Equity Shares of the Company through BSE Limited and National Stock Exchange of India Limited is permitted only in dematerialized form.

Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

The Board of Directors with a view to expedite the process of dematerialisation of shares Mr. Ratnakar Nawghare – Company Secretary is authorised to approve transmission of shares, name deletion, issue of letter of confirmations etc. and the same gets confirmed by the Board in their subsequent meeting.

Securities and Exchange Board of India (SEBI) vide its notification dated 8th June, 2018 has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (Listing Regulations) and SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations 2018 (RTA Regulations) and amendment to Regulation 40 of the Listing Regulations and Clause 5(c) of Schedule III of the RTA Regulations. These amendments have mandated that the transfer of securities would be carried out only in dematerialized form.

Accordingly, attention of all the shareholders holding shares in physical form is brought to the following:

- Request for effecting transfer of securities shall not be processed by the Company or KFin Technologies Limited (KFin), Registrar and Share Transfer Agents (RTA) of the Company, unless the securities are held in dematerialized form with effect from 1st April, 2020. This restriction shall not be applicable to the request received for transmission or transposition of shares held in physical Mode.
- SEBI vide its Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 has mandated:
 - a) Furnishing of PAN, email address, mobile number, bank account details, signature and nomination by holders of physical securities.
 - b) Freezing of folios in cases where PAN is not linked with Aadhaar by March 31, 2023 (or any other date as may be specified by the Central Board of Direct Taxes).
 - c) Folios wherein any one of the said document(s)/detail(s) are not available on or after April 1, 2023, shall be frozen. Such shareholders shall not be eligible to lodge grievance(s) or avail service request(s) from the RTA and shall not be eligible for receipt of dividend in physical mode.
 - d) After December 31, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

Further, in compliance to the SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022, if the service requests are received by RTA (like Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal/Exchange, Endorsement, Sub-division/Splitting, Consolidation of securities certificates/folios, Transmission and Transposition of securities) from those shareholders whose details, as mentioned in SEBI Circular dated November 3, 2021, are duly updated in the system,

the RTA/Company shall verify and process the service requests and issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any, which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

(j) Distribution of Shareholding as on 31st March, 2024:

Shareholding	Shareholders		Shares	
	Number	% to total holders	Number	% to total capital
Upto 500	26160	89.69	2932400	10.51
501 – 1,000	1552	5.22	1222779	4.38
1,001 – 5,000	1225	4.20	2813721	10.08
5,001 – 10,000	133	0.46	994993	3.56
10,001 – 1,00,000	116	0.40	3041284	10.90
1,00,001 & above	10	0.03	16907631	60.57
TOTAL	29166	100.00	27912808	100.00

Shareholding Pattern as on 31st March, 2024

Category	No. of shares held	%
Promoters	15144433	54.26
Banks	200	0.00
Private Corporate Bodies	450294	1.61
Indian Public	11828913	42.37
NBFC	-	0.00
Mutual Funds	-	0.00
NRIs/ OCBs / Others	488968	1.75
GRAND TOTAL	27912808	100.00

(k) Dematerialisation of Shares and liquidity

97.99% of the paid-up Equity Share Capital is held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2024. The Company's Shares are liquid and actively traded on the BSE Limited and National Stock Exchange of India Limited.

(l) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on equity

Nil

(m) Commodity price risk or foreign exchange risk and hedging activities

The Company is a net forex earner. This year under review, saw fluctuation in raw material prices led by increase in crude oil. The uptrend in raw material

prices is expected in the coming financial year. Your Company continues to watch the market situation closely and continues to focus on mitigating inflationary impact through cost reduction measures.

The nature of business of the Company does not involve / require any hedging activities.

(n) Plant Locations

Your Company's manufacturing facilities are located at Plot No. H - 109, MIDC Ambad, Nashik- 422 010 & at Plot No. 367-368, GIDC, Manjusar, Savli, Dist. Vadodara – 391775.

(o) Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

KFin Technologies Limited:
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500 032, Telangana.

Contact details:

Investor Service Toll Free No: 1-800-309-4001

Email: einward.ris@kfinotech.com

For all matters relating to transfer/ dematerialization of shares and any other query relating to Equity Shares of the Company.

The Registrar and Transfer Agents also have an office at:

KFin Technologies Limited,
24-B, Raja Bahadur Mansion, Ground Floor,
Ambalal Doshi Marg, Behind BSE,
Fort, Mumbai – 400 023
Tel.: +91 22 66235454/412/427

Your Company has also designated rvnawghare@mahindairrigation.com as an exclusive email ID for Investors for the purpose of registering complaints. Shareholders would have to correspond with the respective Depository Participants for Shares held in dematerialized form. For all investor related matters, the Company Secretary & Compliance Officer can be contacted at:

Mahindra EPC Irrigation Limited
Plot No. H-109, MIDC Ambad, Nashik – 422 010.
Telephone Nos.: +91-253-6642000
Email: rvnawghare@mahindairrigation.com

Your Company can also be visited at its website: www.mahindairrigation.com

(p) Dates of Book Closure and Dividend Payment Date

The Book Closure will be 15th July, 2024 to 19th July, 2024 (both days inclusive). The Company has not declared any dividend for the year ended 31st March, 2024.

(q) **Registered Office:**
Plot No. H-109, MIDC Ambad, Nashik – 422 010.

(r) **Corporate Identity Number:**
L25200MH1981PLC025731

(s) **Details of Credit Rating:**
During the F'24, the CRISIL Limited had reaffirmed its 'CRISIL A+/Stable' ratings on the bank facilities amounting to Rs. 80 Crores.

(16) Other Disclosures

(a) **Disclosure on materially significant Related Party transactions**

During the financial year 2023-2024 there were no materially significant transactions entered into between the Company and its Promoters, Directors or the Management etc. that may have potential conflict with the interest of the Company at large. Further details of related party transactions are given in Note No. 29 to the Financial Statements.

All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company started obtaining prior approval of the audit committee for entering into any transaction with related parties. The audit committee granted omnibus approval for certain transactions to be entered with the related parties, during the year. The policy on Related Transaction is incorporated on the Company website:

https://mahindrairrigation.com/wp-content/uploads/2023/06/Policy_on_Materiality_and_Dealing_with_Related_Party_Transactions.pdf

(b) **Web link where policy on dealing with Related Party Transactions.**

The policy on Related Party Transaction is incorporated on the Company website: https://mahindrairrigation.com/wp-content/uploads/2023/06/Policy_on_Materiality_and_Dealing_with_Related_Party_Transactions.pdf

(c) **Details of non-compliance etc.**

Your Company has complied with all the requirements of regulatory authorities.

During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets.

Your Company is a statutorily compliant company and the management and the Board has always placed paramount importance towards the statutory compliances applicable to the Company. Our primary focus always remains to comply with

all the applicable laws and to protect the interest of the Investors/ stakeholders and to be transparent in every possible aspect.

(d) **Details of establishment of vigil mechanism, whistle blower policy etc.**

In terms of the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, the Company has implemented a vigil mechanism which includes implementation of the whistle blower policy. No employee has been denied access to the Chairman of the Audit Committee. The Company in conjunction with the Corporate Disclosure and Investigation policy of its ultimate holding Company has informed its employees that any non-compliant behaviour of directors or employees including the non-compliance of its code of conduct to the notice of the management for investigation and necessary action, may be reported by them using the speak- up line number provided therein. The policy is posted on the Company website: https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Whistle_Blowe_Policy.pdf

(e) **Disclosure on Director's performance evaluation criteria**

The Company has introduced the Board and Directors' performance evaluation criteria. All Board members are requested annually to provide their assessment of the performance of the Board and its Committees by way of response to a questionnaire. Additionally, all Board members are asked to do a self-evaluation of their performance annually. The performance of executive director is evaluated by the Nomination and Remuneration Committee and the performance of independent directors is evaluated by the Board. The director being evaluated does not participate in the meeting at the time of their respective evaluation.

(f) **Code of Conduct for Prevention of Insider Trading**

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has formulated, adopted and implemented the Code of Conduct for prevention of Insider Trading.

The Code lays down Guidelines, which advise designated employees on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

Under the said Code, the Company has appointed Mr. Ratnakar Nawghare as the Compliance Officer. All Board members and Senior Management personnel have affirmed compliance with the Code. The Code of Conduct of the Company is also posted on the investor zone page of the Company's website

https://www.mahindrairrigation.com/wp-content/uploads/2023/06/Code_of_Internal_Procedures_and_Reporting_of_Trading_by_Insiders.pdf

(g) Details of Compliance with Mandatory requirements and adoption of the non-mandatory requirements.

Your Company has complied with the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance. However, in addition to above your Company has adopted the non-mandatory requirements as listed out in Part E of Schedule II of SEBI Listing Regulations as mentioned below:

1) Unmodified Opinion in Audit Report

During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices, compliance with Accounting Standards and internal control over financial reporting to ensure financial statements with unmodified audit qualifications.

2) Reporting of Internal Auditor

The Internal Auditor of the Company directly reports to the Audit Committee.

3) Chairman of the Board of Directors

The position of the Chairman of the Board of Directors and that of the Managing Director and the Chief Executive Officer are separate.

4) Communication with the shareholders

Your Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading "Means of Communication"

(h) Disclosures with respect to demat suspense account/ unclaimed suspense account

There are no shares in the demat suspense account/ unclaimed suspense account at the beginning and at the end of the financial year 2023-24.

(i) Recommendations of committee(s) of the Board

In terms of the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its committee(s).

(j) Disclosure for Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company has not made any Loans and advances in the nature of loans to firms/companies in which directors are interested during the Financial Year 2023-24.

(k) Disclosure of certain types of agreements binding listed entities

The Company has not made any Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.

(l) Details of Material Subsidiaries

For the Financial Year ended F'24, the Company does not have any material subsidiary in accordance with Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, the Company has entered into a joint Venture (JV) arrangement in F'19 with TOP Greenhouses Limited, Israel, to set up Mahindra Top Greenhouses Private Limited (MTGPL) for the protected cultivation business. The JV Company was incorporated on 16/11/2018 having registered office at Plot No. H-109, MIDC Ambad, Nashik, Maharashtra- 422010.

(17) CEO/CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chief Executive Officer and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual certificate given by the Chief Executive Officer and the Chief Financial Officer is published in this Report.

Nashik, 4th June, 2024

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER SCHEDULE V (D) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IS ANNEXED.

To

The Members of Mahindra EPC Irrigation Limited,

I, Abhijit Page, Chief Executive Officer of Mahindra EPC Irrigation Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

Nashik
4th June, 2024

Ramesh Ramachandran
Managing Director

Abhijit Page
Chief Executive Officer

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO

**THE MEMBERS OF
MAHINDRA EPC IRRIGATION LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter dated 15 April 2024.
2. We have examined the compliance of conditions of Corporate Governance by Mahindra EPC Irrigation Limited ("the Company"), for the year ended 31 March 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to 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.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2024.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015 (Contd.)

9. We 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.

purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other

Nashik, 23rd April 2024

For B S R &Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rupen Shah
Partner
Membership No:116240
UDIN :24116240BKGSOK4323

INDEPENDENT AUDITOR’S REPORT

To The Members of Mahindra EPC Irrigation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mahindra EPC Irrigation Limited (the “Company”) which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue from sale of products and Expected credit loss (ECL) on Trade receivable

See Note 1 (K) & (U) of Significant Accounting Policies and Note 5 & 17 to the standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue from sale of products is recognised when the control of the underlying products has been transferred to the customer. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. There is a presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due to pressure to achieve performance targets and meeting the external expectations.</p> <p>Trade receivables comprise of receivables from state government owned enterprises and private dealers. We have identified impairment of trade receivables as a key audit matter on account of the significant judgments and estimates involved especially around the customer’s ability and willingness to pay the outstanding amounts and probability of default for each customer over the expected life of the receivables.</p> <p>Based on this assessment, credit loss rate is determined after considering the experience of actual credit losses over past years adjusted to reflect the expected collections, current economic conditions and forecasts. The company then records the impairment (Expected Credit Loss or ECL) towards trade receivables based on such credit loss rate.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtained an understanding of the systems, processes and controls implemented by the Company around recognition of revenue and for measurement of impairment towards trade receivables; • Evaluated the Company’s accounting policies towards revenue recognition and measurement of impairment of trade receivable in the context of the applicable accounting standards; • We evaluated the design, implementation and operating effectiveness of the relevant internal financial controls, including automated controls, with respect to revenue recognition and impairment of trade receivables; • Tested revenue recognized during the year by selecting samples, through statistical sampling, and verifying the underlying customer contracts, sales orders, shipping documents and customer acceptances; • Testing of revenue recognized near the year end, through statistical sampling, to verify only the revenue pertaining to current year is recognized based on shipping documents and customer acceptances; • We have evaluated the historical accuracy of ECL towards trade receivables by examining the actual write-offs / reversals and new allowances recorded in the current year;

The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> • We have verified the ECL provision working for trade receivables including the method, assumptions and data used to determine the ECL on non-current debtors; • We have tested the ageing analysis and subsequent receipt of trade receivables, for samples selected through random sampling; • Assessed the adequacy of the related disclosures in the Standalone financial statements with reference to revenue recognition and impairment of trade receivables as per relevant accounting standards.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows 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. 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 standalone financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the audit trail was not enabled at the database level to log any direct data changes for such accounting software used for maintaining the books of account. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rupen Shah
Partner

Membership No.: 116240
ICAI UDIN:24116240BKGSOI2821

Date: 23rd April, 2024
Place: Nashik

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MAHINDRA EPC IRRIGATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 2 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties, written confirmations have been obtained during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Gess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been delays in a few cases of Income-Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Gess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Gess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Cr)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.44	FY 1995-96 and FY 1997-98	Commissioner of Central Excise
CGST Act, 2017	Goods and Service Tax (GST), Interest and Penalty	6.83	FY 2018-19	Deputy Commissioner of State Tax, Maharashtra
Finance Act, 1994	Service Tax	29.93	FY 2015-16	Commissioner, Central GST & Central Excise and Customs

* Net of amounts paid under protest.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture. (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the 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. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 4 CICs as part of the Group
- (xvii) The Company has not incurred cash losses in the current financial year, however Company has incurred cash loss amounting to Rs. 5.95 crore in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:24116240BKGSOI2821

Date: 23rd April, 2024
Place: Nashik

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MAHINDRA EPC IRRIGATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra EPC Irrigation Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls

with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:24116240BKGSOI2821

Date: 23rd April, 2024
Place: Nashik

CEO AND CFO CERTIFICATION

We, the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer, to the best of our knowledge and belief certify that:

- A) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief, We confirm that :
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 are fraudulent, illegal or violative of the Company's code of conduct/ethics.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the

Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- D) We have indicated to the Auditors and the Audit Committee that:
 - 1) there has not been any significant change in internal control over financial reporting during the year under reference;
 - 2) there has not been any significant change in the accounting policies during the year requiring the disclosure in the notes to the financial statements; and
 - 3) We are not aware of any instance during the year of significant fraud with involvement therein of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Sunetra Ganesan
Chief Financial Officer

Abhijit Page
Chief Executive Officer

Nashik, 23rd April, 2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	Rs. in Crores	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2A	17.98	18.37
(b) Capital Work-in-Progress	2C	0.09	0.10
(c) Right of Use Assets	2B	3.31	3.03
(d) Other Intangible Assets	3	0.14	0.27
(e) Financial Assets			
(i) Investments	4	-	0.48
(ii) Trade Receivables	5	3.75	14.11
(iii) Other Financial Assets	6	1.58	0.73
(f) Deferred Tax Assets (net)	7	11.25	12.03
(g) Income Tax Assets (net)	-	4.54	5.37
(h) Other Non-Current Assets	8	0.61	2.29
Total Non-Current Assets		43.25	56.78
II CURRENT ASSETS			
(a) Inventories	9	44.46	40.22
(b) Financial Assets			
(i) Trade Receivables	5	145.35	113.74
(ii) Cash and Cash Equivalents	10	0.20	4.42
(iii) Bank Balances other than (ii) above	10	2.08	2.61
(iv) Other Financial Assets	6	0.73	1.09
(c) Other Current Assets	8	21.02	34.32
Total Current Assets		213.84	196.40
III Total Assets (I + II)		257.09	253.18
EQUITY AND LIABILITIES			
IV EQUITY			
(a) Equity Share Capital	11A	27.91	27.89
(b) Other Equity	11B	137.37	135.52
Total Equity		165.28	163.41
LIABILITIES			
V NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	26	0.32	0.10
(b) Provisions	14	0.48	0.42
Total Non-Current Liabilities		0.80	0.52
VI CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	15.42	15.00
(ii) Lease Liabilities	26	0.16	0.05
(iii) Trade Payables	15		
a) total outstanding dues of micro enterprises and small enterprises		3.31	3.67
b) total outstanding dues of creditors other than micro enterprises and small enterprises		58.02	53.05
(iv) Other Financial Liabilities	12	9.43	11.27
(b) Other Current Liabilities	16	2.51	3.94
(c) Provisions	14	2.16	2.27
Total Current Liabilities		91.01	89.25
VII Total Liabilities (V+VI)		91.81	89.77
VIII Total Equity and Liabilities (IV+VII)		257.09	253.18
The accompanying notes 1 to 37 are an integral part of the Financial Statements	1-37		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership no.116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary
Place : Nashik

Date : April 23, 2024

Anand Daga
Director
DIN-00696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note No.	For the year ended March 31, 2024	Rs. in Crores For the year ended March 31, 2023
I Revenue from operations	17	262.45	210.37
II Other Income	18	3.06	2.76
III Total Income (I+II)		265.51	213.13
IV EXPENSES			
(a) Cost of materials consumed	19(a)	137.30	131.82
(b) Purchases of Stock-in-trade	19(b)	1.37	0.18
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	19(c)	0.64	(5.58)
(d) Employee benefits expense	20	31.39	29.17
(e) Finance costs	21	2.71	2.22
(f) Depreciation and amortisation expense	2A,2B,3	3.15	3.08
(g) Other expenses	22	86.04	67.99
Total Expenses (IV)		262.60	228.88
V Profit/(loss) before exceptional items and tax (III - IV)		2.91	(15.75)
VI Exceptional items	4	(0.48)	(0.21)
VII Profit/(loss) before tax (V - VI)		2.43	(15.96)
VIII Tax Expense			
(1) Current tax	7	-	-
(2) Deferred tax	7	0.72	(3.84)
(3) Short/(Excess) provision for tax relating to prior years		0.04	0.12
Total tax expense (VIII)		0.76	(3.72)
IX Profit/(loss) after tax for the year (VII - VIII)		1.67	(12.24)
X Other comprehensive income/(loss)			
(i) Remeasurements of defined benefit plans		0.19	0.39
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.05)	(0.10)
Other comprehensive income for the year attributable to owners of the company		0.14	0.29
XI Total comprehensive income for the year attributable to owners of the company (IX+X)		1.81	(11.95)
XII Earnings per equity share			
(1) Basic (Face value Rs. 10 per share)	23	0.60	(4.39)
(2) Diluted (Face value Rs. 10 per share)	23	0.60	(4.39)
The accompanying notes 1 to 37 are an integral part of the Financial Statements	1-37		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership no.116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary
Place : Nashik

Date : April 23, 2024

Anand Daga
Director
DIN-00696171
Place : Nashik
Sunetra Ganesan
Chief Financial Officer
Place : Nashik

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(Loss) before tax for the period	2.43	(15.96)
Adjustments for:		
Finance costs	2.71	2.22
Interest income	(0.23)	(0.13)
Liabilities no longer required written back	(2.63)	(2.36)
Loss/(Profit) on disposal of property, plant and equipment*	0.00	0.08
Impairment loss recognised on trade receivables	10.27	8.26
Provision for impairment of investment in joint venture	0.48	0.21
Depreciation and amortisation expense	3.15	3.08
Expense recognised in respect of equity-settled share-based payments	0.04	0.01
	16.22	(4.59)
Movements in working capital:		
(Increase)/Decrease in trade receivables	(31.52)	39.36
(Increase)/Decrease in inventories	(4.24)	(4.17)
(Increase)/Decrease in other financial and non current assets	0.90	0.05
(Increase)/Decrease in other financial and current assets	13.66	(8.21)
(Decrease)/Increase in trade payables	7.27	(2.93)
(Decrease)/Increase in provisions	0.14	(0.49)
(Decrease)/Increase in lease liability	-	0.15
(Decrease)/Increase in other financial and non financial current liabilities	(1.65)	1.36
	(15.44)	25.12
Cash (used in)/generated from operations	0.78	20.53
Income taxes paid (net)	0.80	(1.50)
Net cash (used in)/generated from operating activities	1.58	19.03
Cash flows from investing activities		
Payments to acquire property, plant and equipment and other Intangible assets	(2.48)	(2.18)
Proceeds from sale of plant and equipment and other Intangible assets	0.06	0.03
Interest received	0.10	0.17
Fixed deposits placed during the year	2.35	1.93
Fixed deposits matured during the year	(1.70)	(2.35)
Net cash (used in) investing activities	(1.67)	(2.40)
Cash flows from financing activities		
Proceeds from issue of equity instruments	0.02	0.05
(Repayment)/Proceeds from short term borrowings (net)	0.42	(10.19)
Interest paid	(4.46)	(2.11)
Repayment in lease liability	(0.11)	-
Net cash generated from/(used in) financing activities	(4.13)	(12.25)
Net (Decrease) in cash and cash equivalents	(4.22)	4.38
Cash and cash equivalents at the beginning of the year	4.42	0.04
Cash and cash equivalents at the end of the period	0.20	4.42
Components of cash and cash equivalents		
Cheques in hand	-	1.67
With Banks - on Current account/Balance in Cash Credit Accounts	0.20	2.75
	0.20	4.42

* Amount is lower than rounding off norm

** Refer note no. 13 for Cash & Non Cash movement as per Ind AS 7

See accompanying notes to the financial statements

1-37

In terms of our report attached

For and on behalf of the Board of Directors

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Rupen Shah

Partner

Membership no.116240

Ramesh Ramachandran

Managing Director

DIN-09562621

Place : Nashik

Abhijit Page

Chief Executive Officer

Place : Nashik

R. V. Nawghare

Company Secretary

Place : Nashik

Anand Daga

Director

DIN-00696171

Place : Nashik

Sunetra Ganesan

Chief Financial Officer

Place : Nashik

Place : Nashik

Date : April 23, 2024

Date : April 23, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

Rs. in Crores

A. Equity share capital	
As at March 31, 2022	27.84
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at March 31, 2022	27.84
Changes in equity share capital during the year	
Issue of equity shares under employee share option plan (Refer note 20)	0.05
As at March 31, 2023	27.89
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at March 31, 2023	27.89
Changes in equity share capital during the year	
Issue of equity shares under employee share option plan (Refer note 20)	0.02
As at March 31, 2024	27.91

B. Other Equity

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share based payments (ESOP)	Retained earnings	
Balances as at March 31, 2022	0.40	94.28	4.25	1.25	47.28	147.46
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-
Restated balance as at March 31, 2022	0.40	94.28	4.25	1.25	47.28	147.46
Profit for the year	-	-	-	-	(12.24)	(12.24)
Other Comprehensive Income/(loss) (net of tax)	-	-	-	-	0.29	0.29
Total Comprehensive Income for the year	-	-	-	-	(11.95)	(11.95)
Transactions with owners of the Company:						
Contributions & distributions						
Dividend paid on Equity Shares	-	-	-	-	-	-
Exercise of employee stock options	-	0.57	-	(0.57)	-	-
Share based payment to employees	-	-	-	0.01	-	0.01
Share Application money received	-	-	-	-	-	-
Balances as at March 31, 2023	0.40	94.86	4.25	0.68	35.33	135.52
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-
Restated balance as at March 31, 2023	0.40	94.86	4.25	0.68	35.33	135.52
Profit for the year	-	-	-	-	1.67	1.67
Other Comprehensive Income/(loss) (net of tax)	-	-	-	-	0.14	0.14
Total Comprehensive Income for the year	-	-	-	-	1.81	1.81
Transactions with owners of the Company:						
Contributions & distributions						
Dividend paid on Equity Shares	-	-	-	-	-	-
Exercise of employee stock options	-	0.28	-	(0.28)	-	-
Share based payment to employees	-	-	-	0.04	-	0.04
Share Application money received	-	-	-	-	-	-
Balances as at March 31, 2024	0.40	95.14	4.25	0.44	37.14	137.37

Remeasurement gain (net) on defined benefit plans Rs. 0.14 Crores (March 31, 2023 loss (net) Rs. 0.29 Crores) is recognised as part of retained earnings. For nature of reserves refer note no. 11 B

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Anand Daga
Director
DIN-00696171
Place : Nashik

Rupen Shah
Partner
Membership no.116240

Abhijit Page
Chief Executive Officer
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

R. V. Nawghare
Company Secretary
Place : Nashik

Place : Nashik
Date : April 23, 2024

Date : April 23, 2024

Notes to the standalone financial statements for the year ended March 31, 2024

Note No. 1 - Corporate information and material accounting policies

A. Corporate Information

Mahindra EPC Irrigation Limited (Company) is a Public Limited Company listed on the Bombay Stock Exchange Limited and National Stock Exchange. It was incorporated on November 28, 1981 under the Companies Act, 2013. It is engaged in the business of Micro Irrigation Systems such as Drip and Sprinklers, Agricultural Pumps, Greenhouses and Land Landscape Products. The Company is a public limited Company and domiciled in India. The address of its corporate office is H-109, MIDC, Ambad, Nashik, Maharashtra 422010. As at 31st March 2023 Mahindra & Mahindra Limited, the holding company own 54.39% of the Company's equity share capital.

B. Basis of preparation

a. Statement of compliance

These standalone financial statements of Mahindra EPC Irrigation Limited ('the Company') have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These standalone financial statements were approved by the Company's Board of Directors and authorised for issue on 23rd April 2024.

b. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is

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

All other assets are classified as non-current.

A liability is treated as current when

- a. It is expected to be settled in normal operating cycle;
- b. It is held primarily for the purpose of trading;
- c. It is due to be settled within twelve months after the reporting period; or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

C. Basis of measurement and fair value

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments and net defined benefit liability that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

D. Functional and presentation currency

These financial statements are presented in Indian Rupees ('Rupees') which is also the Company's functional currency. All amounts are rounded-off to the nearest rupee in crores (two decimals), unless otherwise indicated.

E. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

F. Property, Plant and equipment :

Property, Plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost includes cost of acquisition or construction and is stated at historical cost.

Depreciation on all property, plant and equipment, is provided on Straight Line Method as per the estimated useful life. Leasehold Assets are depreciated over the shorter of the lease term and their useful lives. Depreciation on additions to assets or on sale / disposal of assets is calculated from the date of such addition or up to the date of such sale / disposal as the case may be.

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, based on the Company's expected usage pattern supported by technical assessment:

Assets	Useful life	Life as per Scheduel II
Buildings		
Factory Building	30 Years	30 Years
Office Building	60 Years	60 Years
Extrusion Machines	19 Years	8 Years
Other Machineries	10 Years	15 Years
Electrical Installations, factory Equipments, furniture	10 Years	10 Years
Moulds and Dies	10 Years	15 Years
Office Equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles - Cars (For employee use)	5 Years	8 Years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

G. Intangible Assets:

Intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

Intangible assets are recognised only when economic benefit attributable to the assets will flow to the enterprise and cost can be measured reliably. They are being amortised over the estimated useful life of 36 months.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

H. Impairment of Assets:

The carrying value of assets / cash generating units at each balance sheet date is reviewed for impairment excluding inventories and deferred tax. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss of the amount. They arrived at cost less accumulated amortisation and accumulated impairment losses.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

I. Inventories:

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

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. The comparison of cost and net realisable value is made on an item-by-Item basis.

Cost is determined on the basis of the weighted average method.

J. Foreign Exchange Transactions:

In preparing the financial statements transactions in other than the company's functional currency are recorded at the exchange rates prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be. Non - Monetary items that are measured in terms of historical cost in a foreign currency are not restated.

K. Revenue recognition:**Revenue from contracts with customer**

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on the consideration specified in a contract with a customer, stated net of discounts, returns and Goods and Service tax.

The Company recognises revenue from the following major sources:

- a) Sale of Products; and
- b) Sale of services.

a) Sale of Products

The company sells Micro irrigation systems (MIS) both to the Open market and Project market. Sales-related warranties associated with MIS cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (refer note no. 14).

For sales of MIS to open market, revenue is recognised when control of the good has transferred, being when the goods have been delivered to the dealer based on the terms and conditions in his agreement. Following delivery, the dealer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

For sales of MIS to project market, revenue is recognised when control of the good has transferred, being when the goods have been installed at the farmers' place as per the approved design and acknowledged by the implementing agency. Following which farmer has full control of the MIS.

A receivable is recognised by the Company when the goods are delivered to the distributor /MIS installation acknowledged by the implementing agency as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

Project revenue is recognised on the basis of cost completion after the threshold limit of 30% of the cost is completed.

b) Sale of Services

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

L. Other income:

Dividend income from investments is recognised in statement of profit and loss when the shareholders right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest method is a method of calculating the amortised cost of the financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, to that asset's net carrying amount on initial recognition.

M. Employee benefits:

a) Short term and other long term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that services. Liabilities recognised in respect of other long -term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

b) Post-employment benefits

(i) Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

(ii) Defined benefit plans

The employees' gratuity fund scheme, managed by Life Insurance Corporation (LIC) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

(iii) Share based payment

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to the equity-settled employee benefits reserve.

Other long-term benefits:

Compensated absences: Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

N. Leases:

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognise a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116.

The right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is also assessed for impairment when such indicators exist.

As a lessor:

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term.

O. Borrowing Costs:

All borrowing costs are charged to the Statement of Profit and Loss except, borrowing costs that are attributable to the acquisition or construction of qualifying assets which are those that necessarily take a substantial period of time to get ready for their intended use or sale, which are capitalised as part of the cost of such assets.

P. Product Warranty:

In respect of warranties given by the Company on sale of certain products, the estimated costs of these warranties are accrued at the time of sale. The estimates for accounting of warranties are discounted when required and are reviewed and revisions are made as required by the management of the company.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Q. Taxes on income:

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Uncertain Tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

Company has not recognised the deferred tax assets/liabilities on gain/(loss) on disposal of investment in joint venture as at reporting date.

Company recognises the temporary differences on Right of use assets (ROU) and lease liabilities on net basis as at reporting date.

- Current Tax

Income Taxes are accounted for in accordance with IND AS-12. Tax expenses comprise both current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act 1961, and other applicable tax laws.

- Deferred Tax

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

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

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

R. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits - Refer Note No. 28) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions & contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities and assets are not recognised but are disclosed in the notes.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)**S. Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the company. The CODM of the company reviews the operation of the company as Precision Farming Products & Services.

T. Investment in Joint Venture

The company accounts for its investments in Joint Venture at cost less accumulated impairment, if any.

U. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement**Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Trade Receivables

Trade receivables are initially recognised at fair value except for those without a significant financing component which are initially measured at transaction price. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

All other financial assets are subsequently measured at fair value.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. Assessment of whether there is significant increase in the credit risk of a particular customer is performed periodically basis a review of collection trends, credit worthiness and other macro economic factors.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

V. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

- useful life of property, plant and equipment and intangible assets (Refer Note 1, Point F)
- estimation of defined benefit obligation (Refer Note 28)
- provision for warranty claims (Refer Note 14)
- income taxes - current and deferred taxes (Refer Note 7)
- impairment of trade receivables (Refer Note 5)

Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment within the next financial year is included in relevant notes for the above items.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

W. Contingent Liabilities & Commitments

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

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (ii) The Company does not expect any reimbursements in respect of the contingent liabilities.
- (iii) The Company's pending litigations comprise of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

X. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits with banks & financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

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

Y. Earnings per share

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

To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 2A - PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Rs. in Crores										
	Buildings	Plant and Equipment	Electrical Installations	Factory Equipments	Moulds and Dies	Office Equipment	Furniture and Fixtures	Computers	Vehicles	Total	
I. Gross Carrying Amount											
Balance as at March 31, 2023	9.98	42.37	1.66	1.98	11.32	0.67	1.09	1.65	1.48	72.21	
Additions	0.06	1.08	-	0.21	0.50	0.06	0.05	0.08	0.52	2.56	
Disposals	-	-	-	-	-	-	0.00	0.00	0.40	0.40	
Balance as at March 31, 2024	10.04	43.45	1.66	2.19	11.82	0.73	1.14	1.73	1.60	74.37	
II. Accumulated depreciation											
Balance as at March 31, 2023	7.36	29.16	1.46	1.32	10.75	0.47	0.93	1.26	1.12	53.84	
Depreciation expense for the year	0.29	1.90	0.02	0.10	0.11	0.07	0.04	0.18	0.18	2.89	
Eliminated on disposal of assets	-	-	-	-	-	-	0.04	0.05	0.25	0.34	
Balance as at March 31, 2024	7.65	31.06	1.48	1.42	10.86	0.54	0.93	1.38	1.05	56.39	
III. Net carrying amount (I-II)											
Balance as at March 31, 2022	9.79	41.77	1.61	2.00	11.32	0.65	1.14	1.37	1.79	71.45	
Additions	0.19	0.79	0.05	0.05	-	0.06	0.01	0.35	-	1.50	
Disposals	-	0.19	0.00	0.07	-	0.04	0.06	0.08	0.31	0.74	
Balance as at March 31, 2023	9.98	42.37	1.66	1.98	11.32	0.67	1.09	1.65	1.48	72.21	
II. Accumulated depreciation											
Balance as at March 31, 2022	7.05	27.53	1.44	1.29	10.54	0.43	0.93	1.18	1.16	51.55	
Depreciation expense for the year	0.31	1.82	0.02	0.10	0.21	0.07	0.04	0.14	0.21	2.92	
Eliminated on disposal of assets	-	0.19	0.00	0.07	-	0.03	0.04	0.05	0.25	0.63	
Balance as at March 31, 2023	7.36	29.16	1.46	1.32	10.75	0.47	0.93	1.26	1.12	53.84	
III. Net carrying amount (I-II)											
Balance as at March 31, 2024	2.62	13.21	0.20	0.66	0.57	0.20	0.16	0.39	0.36	18.37	

NOTE NO. 2B - RIGHT OF USE ASSETS (REFER NOTE 26)

Description of Assets	Lease		Buildings	Total
	Hold	Land		
I. Gross Carrying Amount				
Balance as at March 31, 2023				
Additions	3.05	-	0.63	3.69
Disposals	-	-	0.41	0.41
Balance as at March 31, 2024	3.05	-	1.04	4.10
II. Accumulated depreciation				
Balance as at March 31, 2023				
Depreciation expense for the year	0.17	0.04	0.48	0.66
Disposals	-	-	-	-
Balance as at March 31, 2024	0.21	0.21	0.58	0.79
III. Net carrying amount (I-II)				
Balance as at March 31, 2022	2.84	-	0.46	3.31
I. Gross Carrying Amount				
Balance as at March 31, 2022				
Additions	3.05	-	0.48	3.54
Disposals	-	-	0.15	0.15
Balance as at March 31, 2023	3.05	-	0.63	3.69
II. Accumulated depreciation				
Balance as at March 31, 2022				
Depreciation expense for the year	0.13	0.04	0.48	0.61
Disposals	-	-	0.00	0.05
Balance as at March 31, 2023	0.17	0.17	0.48	0.66
III. Net carrying amount (I-II)				
Balance as at March 31, 2023	2.88	-	0.15	3.03

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 2C - CAPITAL WORK-IN-PROGRESS

	Rs. in Crores	
CWIP Movement	31st March 2024	31st March 2023
Opening Balance	0.10	0.05
- Additions	2.54	1.56
- Capitalised & Transferred to Property, Plant & Equipments during the year.	2.55	1.51
Closing balance	0.09	0.10

Capital work in progress (CWIP) Ageing Schedule for the year ended 31st March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.09	-	-	-	0.09
- Project Name					-
1. Vision System for Drip Line Hole Inspection	0.06	-	-	-	0.06
2. IM-16 from iCON LNC controller	0.03	-	-	-	0.03

Capital work in progress (CWIP) Ageing Schedule for the year ended 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.10	-	-	-	0.10
- Project Name					-
1. Servo Perforation Unit	0.10	-	-	-	0.10

Note: For Intangible Asset under development & CWIP, there are no such projects whose completion is overdue or exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 3 - OTHER INTANGIBLE ASSETS

Description of Assets	Rs. in Crores	
	Computer Software	Total
I. Gross Carrying Amount		
Balance as at March 31, 2023	2.54	2.54
Additions	-	-
Disposals	-	-
Balance as at March 31, 2024	2.54	2.54
II. Accumulated amortisation		
Balance as at March 31, 2023	2.27	2.27
Amortisation expense for the year	0.13	0.13
Eliminated on disposal of assets	-	-
Balance as at March 31, 2024	2.40	2.40
III. Net carrying amount (I-II)	0.14	0.14
I. Gross Carrying Amount		
Balance as at March 31, 2022	2.28	2.28
Additions	0.26	0.26
Disposals	-	-
Balance as at March 31, 2023	2.54	2.54
II. Accumulated amortisation		
Balance as at March 31, 2022	2.15	2.15
Amortisation expense for the year	0.12	0.12
Eliminated on disposal of assets	-	-
Balance as at March 31, 2023	2.27	2.27
III. Net carrying amount (I-II)	0.27	0.27

NOTE NO. 3A - INTANGIBLE ASSET UNDER DEVELOPMENT

Intangible asset under development Movement	Rs. in Crores	
	31st March 2024	31st March 2023
Opening Balance	-	0.16
- Additions	-	0.10
- Capitalised & Transferred to Property, Plant & Equipments during the year	-	0.26
Closing balance	-	-

Intangible assets under development for the year ended 31st March 2024

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress					
None	-	-	-	-	-

Intangible assets under development for the year ended 31st March 2023

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress					
None	-	-	-	-	-

Note: For Intangible Asset under development & CWIP, there are no such projects whose completion is overdue or exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 4 - INVESTMENTS

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments (fully paid-up)		
Unquoted		
In Joint Venture company - Mahindra Top Greenhouses Private Limited (March 24 - 18,00,000 shares of Rs.10 each), (March 23 - 18,00,000 shares of Rs.10 each)	-	0.48
Total	-	0.48
Other Disclosures :		
	As at March 31, 2024	As at March 31, 2023
Aggregate amount of unquoted investments (Gross)	0.48	0.69
Aggregate amount of impairment in value of investments	0.48	0.21
Aggregate amount of unquoted investments (Net)	-	0.48

Note for Impairment:

During the year ended 31st March 2024 the Company has recognised an aggregate impairment loss of Rs. 0.48 Crores on investment in joint venture considering the performance of the company. With this the original investment of Rs 1.80 crores is fully impaired.

NOTE NO. 5 - TRADE RECEIVABLES

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Unsecured, considered good	145.35	3.75	122.81	20.29
Trade Receivables which have significant increase in credit risk	9.74	0.41	1.26	1.43
Trade Receivables - credit impaired	26.78	1.42	7.45	2.70
	181.88	5.58	131.52	24.42
Less: Expected credit loss	(36.53)	(1.83)	(17.77)	(10.31)
Total	145.35	3.75	113.74	14.11

Refer Note 24 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

The company applies the simplified approach to provide for expected credit losses prescribed by IND AS 109, which permits the use of the lifetime expected credit loss provision for all trade receivables. The company has expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer Note 29 for disclosures relating to receivables from related parties.

Trade receivables are hypothecated against the working capital facilities provided by the bank.

Refer Note 5A for trade receivables ageing schedule.

When the impairment is calculated under the simplified approach for trade receivables, an entity is not required to separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure of trade receivables in the manner as required by Schedule III for significant increase in credit risk is not required except when a company has a trade receivable for which credit risk is assessed individually. Further, the disclosure of 'trade receivables - credit impaired' will be made if such trade receivables meet the definition of 'credit impaired' as per Ind AS 109.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)**NOTE NO. 5A - TRADE RECEIVABLES AGEING SCHEDULE UNDER NON-CURRENT ASSETS AND CURRENT ASSETS AS ON 31ST MARCH 2024****Trade Receivables ageing schedule under Non-current assets as on 31st March 2024**

							Rs. in Crores
Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	0.10	0.74	0.66	–	0.31	1.82
ii	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	0.41	–	–	0.41
iii	Undisputed Trade Receivables – credit impaired	–	–	–	–	1.42	1.42
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	–	–
	Total	0.10	0.74	1.07	–	1.73	3.65
Less: Expected credit loss							(1.83)
Add: Unbilled							–
Add: Not Due							1.93
Net outstanding for following periods from due date of payment							3.75

Trade Receivables ageing schedule under Current assets as on 31st March 2024

Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	67.21	37.29	28.38	5.96	0.19	139.02
ii	Undisputed Trade Receivables – which have significant increase in credit risk	0.06	0.00	1.38	2.18	6.13	9.74
iii	Undisputed Trade Receivables – credit impaired	–	–	0.22	1.25	22.70	24.17
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	2.60	2.60
	Total	67.27	37.29	29.98	9.38	31.62	175.54
Less: Expected credit loss							(36.53)
Add: Unbilled							5.86
Add: Not Due							0.48
Net outstanding for following periods from due date of payment							145.35

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Trade Receivables ageing schedule under Non-current assets as on 31st March 2023

Rs. in Crores							
Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	10.94	2.26	2.82	2.91	0.03	18.96
ii	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
iv	Disputed Trade receivables – considered good	-	-	-	-	-	-
v	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.07	1.36	1.43
vi	Disputed Trade Receivables – credit impaired	-	-	-	-	2.70	2.70
	Total	10.94	2.26	2.82	2.98	4.09	23.09
Less: Expected credit loss							(10.31)
Add: Unbilled							-
Add: Not Due							1.33
Net outstanding for following periods from due date of payment							14.11

Trade Receivables ageing schedule under Current assets as on 31st March 2023

Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	63.55	13.80	15.78	19.37	6.41	118.91
ii	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
iv	Disputed Trade receivables – considered good	-	-	-	-	-	-
v	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	1.26	1.26
vi	Disputed Trade Receivables – credit impaired	-	-	-	-	7.45	7.45
	Total	63.55	13.80	15.78	19.37	15.12	127.62
Less: Expected credit loss							(17.77)
Add: Unbilled							3.90
Add: Not Due							-
Net outstanding for following periods from due date of payment							113.74

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 6 - OTHER FINANCIAL ASSETS

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Carried at amortised cost:				
Security deposits	0.73	0.88	0.55	0.73
Earmarked balances with banks	-	0.65	-	-
Balances with Banks - on margin accounts	-	0.05	-	-
Insurance and Other claims	-	-	0.01	-
Balance with Gratuity Fund (LIC)	-	-	0.53	-
Total	0.73	1.58	1.09	0.73

NOTE NO. 7 - CURRENT TAX AND DEFERRED TAX

(a) Income Tax recognised in profit or loss

Particulars	Rs. in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax:		
In respect of current year	-	-
In respect of prior years	0.04	0.12
Deferred Tax:		
In respect of current year	0.72	(3.84)
In respect of prior years	-	-
Total income tax expense recognised in the current year	0.76	(3.72)

(b) Income tax recognised in other Comprehensive income (OCI)

Particulars	Rs. in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Deferred Tax		
Remeasurement of defined benefit obligations	0.19	0.39
	0.19	0.39
Income taxes related to items that will not be reclassified to profit or loss	(0.05)	(0.10)
Total	0.14	0.29

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Rs. in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(loss) before tax after exceptional items	2.43	(15.96)
Income tax expense calculated at 25.17% (2023: 25.17%)	0.61	(4.02)
Effect of expense that is non-deductible in determining taxable profit	0.09	0.36
Others	0.01	(0.18)
	0.72	(3.84)
Adjustments recognised in the current year in relation to the current tax of prior years	0.04	0.12
Income tax expense recognised In profit or loss	0.76	(3.72)

The tax rate used for the March 31, 2024 and March 31, 2023 reconciliations above is the corporate tax rate of 25.17% on taxable profits under Indian Income Tax Act, 1961.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

(d) Movement in deferred tax assets / (Liabilities) for the year ended March 31, 2024

Rs. in Crores

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	1.91	(0.27)	–	1.65
	<u>1.91</u>	<u>(0.27)</u>	<u>–</u>	<u>1.65</u>
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.60	(0.05)	(0.05)	0.51
Provision for receivables and advances	7.19	2.59	–	9.77
Deferred tax asset on loss	3.60	(3.40)	–	0.20
Other items (TDS on Commission disallowed & EPCG Interest-Payment Basis)	2.55	(0.14)	–	2.41
	<u>13.94</u>	<u>(1.00)</u>	<u>(0.05)</u>	<u>12.90</u>
Net Deferred Tax Asset/(Liabilities)	<u>12.03</u>	<u>(0.73)</u>	<u>(0.05)</u>	<u>11.25</u>
Total	<u>12.03</u>	<u>(0.73)</u>	<u>(0.05)</u>	<u>11.25</u>

(e) Movement in deferred tax assets / (Liabilities) for the year ended March 31, 2023

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	2.07	(0.16)	–	1.91
	<u>2.07</u>	<u>(0.16)</u>	<u>–</u>	<u>1.91</u>
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.69	0.02	(0.10)	0.60
Provision for receivables and advances	5.11	2.08	–	7.19
Deferred tax asset on loss	2.12	1.48	–	3.60
Other items (TDS on Commission disallowed & EPCG Interest-Payment Basis)	2.44	0.11	–	2.55
	<u>10.36</u>	<u>3.68</u>	<u>(0.10)</u>	<u>13.94</u>
Net Deferred Tax Asset/(Liabilities)	<u>8.28</u>	<u>3.84</u>	<u>(0.10)</u>	<u>12.03</u>
Total	<u>8.28</u>	<u>3.84</u>	<u>(0.10)</u>	<u>12.03</u>

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 8 - OTHER NON FINANCIAL ASSETS

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
(a) Prepayments	0.34	0.07	0.26	0.07
(b) Balances with government authorities	14.00	0.14	23.29	1.88
(i) VAT credit receivable	-	0.14	-	0.21
(ii) GST credit receivable	14.00	-	23.29	-
(iii) Excise Refund Claim	-	-	-	1.67
(c) Contract Assets	2.83	-	6.84	-
(d) Others	-	-	-	-
(i) Capital advances	-	0.41	-	0.34
(ii) Advance to Creditors	-	-	-	-
Considered Good	3.04	-	3.86	-
Doubtful	-	0.50	-	0.49
Less : Provision for Doubtful advances	-	(0.50)	-	(0.49)
	3.04	-	3.86	-
(iii) Advances to employees	-	-	-	-
Considered Good	-	-	0.07	-
Doubtful	0.25	-	0.25	-
Less : Provision for Doubtful advances	(0.25)	-	(0.25)	-
	-	-	0.07	-
(iv) Balance with LIC (Gratuity)	0.82	-	-	-
Total	21.02	0.61	34.32	2.29

NOTE NO. 9 - INVENTORIES

[Lower of cost and net realisable value]

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Raw materials and components	24.19	19.31
(b) Work-in-progress	4.92	4.23
(c) Finished goods	14.81	16.44
(d) Stock-in-trade of goods acquired for trading	0.54	0.24
Total	44.46	40.22

All inventories are pledged as security for credit facilities from banks.

Mode of valuation of inventories is stated in Note 1(l).

Out of the above, Rs. 6.92 crores are lying with third parties (year ended March 31, 2023 Rs. 3.34 crores).

The amount of goods in transit as on March 31 2024 is of Rs. 0.49 crores. (As on March 31, 2023 Rs. nil crores).

The amount of inventories recognised as an expense is Rs. 139.31 crores (for the year ended 31 March 2023 Rs. 126.42 crores) including Rs. 0.10 crores (for the year ended 31 March 2023 Rs. 0.47 crores) in respect of write down of inventories to net realisable value, and has been reduced by Rs. 0.21 crores (for the year ended 31 March 2023 - Rs. 0.28 crores) in respect of reversal of such write downs. Reversal in provision is due to sale and/or consumption of inventories provided for in earlier years.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 10 - CASH AND BANK BALANCES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks - Current and Cash Credit Accounts	0.20	2.75
Cash on hand	-	-
Cheques in hand	-	1.67
Total Cash and cash equivalents	<u>0.20</u>	<u>4.42</u>
Other Bank Balances		
Earmarked balances with banks	1.17	1.58
Balances with Banks - on margin accounts	0.73	0.97
Interest accrued on deposits	0.18	0.05
Total Other Bank Balances	<u>2.08</u>	<u>2.61</u>

NOTE NO. 11 A - EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. in Crores	No. of shares	Rs. in Crores
Authorised				
Equity shares of Rs. 10 each	32,000,000	32.00	32,000,000	32.00
Preference share of Rs. 100 each	1,800,000	18.00	1,800,000	18.00
Issued				
Equity shares of Rs. 10 each	27,916,708	27.92	27,891,504	27.89
Subscribed and fully paid up				
Equity shares of Rs. 10 each	27,912,808	27.91	27,887,604	27.89
Forfeited shares (Amount originally paid up)*	3,900	-	3,900	-
Total		<u>27.91</u>		<u>27.89</u>

Fully paid equity shares, which have a per value of Rs. 10, carry one vote per share and carry a right to dividends.

* Amount is below rounding off norm

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars		Rs. in Crores		
		Opening Balance	Issued during the year under ESOP Scheme	Closing Balance
Equity share-Issued, Subscribed and Paid-up:				
March 31, 2024	No. of Shares	27,887,604	25,204	27,912,808
	Amount	27.89	0.02	27.91
March 31, 2023	No. of Shares	27,839,475	48,129	27,887,604
	Amount	27.84	0.05	27.89

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Rights, preferences and restrictions attached to equity shares

The Company is having only one class of equity shares having par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by the holding company

Particulars	As at March 31, 2024	As at March 31, 2023
Mahindra and Mahindra Ltd, the Holding Company	15,144,433	15,144,433

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Mahindra and Mahindra Limited	15,144,433	54.26%	15,144,433	54.31%

(iv) Shares reserved for issuance as follows: (Refer Note No.- 20)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount of Shares	No. of shares	Amount of Shares
Outstanding employee stock options available for grant.	270,639	2,706,390	295,843	2,958,430

(v) Details of shares held by promoter at the end of the year:

Name of promoter	No. of shares		Amount of Shares	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mahindra and Mahindra Limited	15,144,433	54.26%	15,144,433	54.31%
% Change during the year		0.00%		0.00%

NOTE NO. 11B - OTHER EQUITY

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Capital Reserve	0.40	0.40
Securities Premium	95.14	94.86
General Reserve	4.25	4.25
Share based payments (ESOP)	0.44	0.68
Retained Earnings	37.13	35.33
Total	137.37	135.52

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Nature of Reserves

- Capital Reserve** - Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.
- Securities Premium** - Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provision of the Companies Act, 2013.
- General Reserve** - The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
- Share based payments (ESOP)** - The Employee Stock Options Outstanding represents reserve in respect of equity settled share options granted to the company's employees in pursuance of the Employee Stock Option Plan.
- Retained earnings:** Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

Details of Dividend Proposed

	Rs. in Crores	
Particulars	2024	2023
Dividend per share (Rupees)	-	-
Dividend on Equity Shares	-	-
Total Dividend	-	-

NOTE NO. 12 - OTHER CURRENT FINANCIAL LIABILITIES

	Rs. in Crores	
Particulars	As at March 31, 2024	As at March 31, 2023
Carried at Amortised Cost:		
Interest payables to vendors/others	-	1.77
Unclaimed Dividend *	0.20	0.21
Security Deposits	5.31	5.06
Employee benefits payable	3.16	3.21
Others **	0.76	1.02
Total	9.43	11.27

Notes:

* There are no amounts due for transfer to Investor Education and Protection Fund.

** Others include payable for capital assets and GGRC farmers share payable.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)
NOTE NO. 13 - SHORT TERM BORROWINGS

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Secured (Carried at Amortised Cost):		
Secured Borrowings - at amortised cost		
Loans repayable on demand from Bank	15.42	15.00
Total	15.42	15.00

Reconciliation of movement in borrowings to cash flows from financing activities as per Ind AS-7

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Opening Balance		
– Short term borrowings	15.00	25.19
Cash flow movements		
– Net increase/(decrease) in Loans repayable on demand and cash credit	0.42	(10.19)
Non-cash movements	–	–
Closing Balance		
– Short term borrowings	15.42	15.00

BORROWING NOTE:

- Company have filed quarterly returns/statement with Banks and same are in agreement with the books of accounts. There are no material discrepancies found.
- Working capital facilities are secured by hypothecation of Inventory & Trade receivable.
- The Company has availed working capital facilities from Banks aggregating to Rs. 15.42 Crores with the interest rates which are linked to Repo rate with spread ranging from 0% p.a. to 2% p.a.

NOTE NO. 14 - PROVISIONS

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
a. Provision for employee benefits				
Compensated absences	1.98	–	2.08	–
b. Other Provisions				
Warranty	0.18	0.48	0.19	0.42
Total	2.16	0.48	2.27	0.42

Details of movement in Warranty Provisions is as follows:

Particulars	Rs. in Crores
Balance at March 31, 2022	1.42
Additional provisions recognised	0.34
Amounts used during the year	(0.19)
Unused amounts reversed during the year	(0.97)
Unwinding of discount	0.02
Balance at March 31, 2023	0.61

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores
Additional provisions recognised	0.22
Amounts used during the year	(0.20)
Unused amounts reversed during the year	-
Unwinding of discount	0.03
Balance at March 31, 2024	0.66

Warranty Claims:

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The products are generally covered under a free warranty period ranging from 6 months to 5 years. It is expected that most of these costs will be incurred in the next two financial years and all will have been incurred within five years after the reporting date.

NOTE NO. 15 - TRADE PAYABLES

Particulars	As at March 31, 2024	Rs. in Crores As at March 31, 2023
Current		
a) total outstanding dues of micro and small enterprises	3.31	3.67
b) total outstanding dues of creditors other than micro and small enterprises	58.02	53.05
Total	61.33	56.72

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as below:

(a) Dues remaining unpaid as at 31 st March 2024		
Principal	3.31	3.67
Interest on the above	-	-
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year		
Principal paid beyond the appointed date	-	-
Interest paid in terms of Section 16 of the Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at March 31	-	-
Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Interest is charged on the over due balances as per terms agreed with vendors.

Refer Note 29 for disclosures relating to receivables from related parties.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 15A - TRADE PAYABLES AGEING SCHEDULE

Ageing for trade payable outstanding as at March 31, 2024 is as follows:

		Outstanding for following periods from due date of payment				Rs. in Crores
Sr. No.	Particulars	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i)	MSME	3.31	-	-	-	3.31
(ii)	Others	12.10	0.56	0.10	0.81	13.57
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	15.41	0.56	0.10	0.81	16.88
	Unbilled dues (Accrued expenses)					44.45
	Total Trade Payable					61.33

Ageing for trade payable outstanding as at March 31, 2023 is as follows:

		Outstanding for following periods from due date of payment				Rs. in Crores
Sr. No.	Particulars	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i)	MSME	3.67	-	-	-	3.67
(ii)	Others	22.63	5.32	6.34	11.40	45.69
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total	26.30	5.32	6.34	11.40	49.36
	Unbilled dues (Accrued expenses)					7.36
	Total Trade Payable					56.72

NOTE NO. 16 - OTHER CURRENT LIABILITIES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Advance from customer (Contract liability)	1.77	1.58
(b) Others		
(i) Statutory dues		
- taxes payable (other than income taxes)	0.66	1.70
- Employee Recoveries and Employer Contributions	0.08	0.07
- Customs Duty Payable	-	0.59
Total	2.51	3.94

Changes in contract liability are as follows:

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1.58	1.09
Add		
- Addition during the year	1.77	1.58
Less		
- Reclass of opening balances of contract liability to revenue	1.58	1.09
Balance at the end of the year	1.77	1.58

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 17 - REVENUE FROM OPERATIONS

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
From contract with customers for goods & services		
(a) Revenue from Sale of Products	261.69	209.46
(b) Revenue from Sale of Services	0.64	0.64
(c) Other operating revenue	0.12	0.27
Total	262.45	210.37

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Sale of products comprises		
<u>Manufactured goods</u>	261.69	209.46
Total - Sale of manufactured goods	261.69	209.46
Total - Sale of products	261.69	209.46
(ii) Sale of services comprises		
Installation Services	0.64	0.64
Total - Sale of services	0.64	0.64
(iii) Other operating revenues comprise:		
Sale of scrap	0.12	0.27
Total - Other operating revenues	0.12	0.27

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customer as per the contract price	269.01	223.57
Adjustments made to contract price		
- Trade discounts, volume rebates, return etc	5.72	4.92
- Deferment of revenue	7.68	12.28
- Recognition of revenue out of opening balance of contract	6.84	4.00
Revenue from contract with customer as per the Standalone statement of profit and loss	262.45	210.37

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Changes in contract assets are as follows

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	6.84	4.00
– Invoices raised that were included in the contract assets balance at the beginning of the year	(6.84)	(4.00)
– Increase due to revenue recognised during the year, excluding amounts billed during the year.	2.83	6.84
Balance at the end of the year	2.83	6.84

Segment information

Geographical Information:

Particulars	Rs. in Crores			
	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Domestic	Overseas*	Domestic	Overseas*
Revenue from contract with customer	254.18	8.27	210.09	0.28
Total Revenue	254.18	8.27	210.09	0.28

* Uganda.

The company recognises revenue as per IND AS 115 'Revenue from contracts with customers'.

Accordingly, the Company recognises revenue when it transfers control of a product or service to a customer as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains the control or benefit of the same.

The revenue is recognised on satisfaction of performance obligation / transferring control to the customer and hence the same is recognised at a point in time. The company believes that above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors . The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs 20.09 Crores out of which 100% is expected to be recognised as revenue in the next year . No consideration from contracts with customers is excluded from the amount mentioned above.

NOTE NO. 18 - OTHER INCOME

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest Income - On financial assets carried at amortised cost		
1) Bank deposits (at amortised cost)	0.17	0.03
2) Interest on Security Deposit (at amortised cost)	0.02	0.02
(b) Interest on tax refunds	0.04	0.08
(c) Profit on sale of Property, Plant & Equipments*	0.00	–
(d) Liabilities no longer required written back	2.63	2.36
(e) Miscellaneous income	0.20	0.27
Total	3.06	2.76

* Amount is lower than rounding off norm

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 19 (A) - COST OF MATERIALS CONSUMED

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	19.31	20.72
Add: Purchases	142.18	130.41
	161.49	151.13
Less: Closing stock	24.19	19.31
Cost of materials consumed	137.30	131.82

NOTE 19 (B) PURCHASES OF STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Stock-in-trade - Pumps, Greenhouses & Landscape	1.37	0.18
Total	1.37	0.18

NOTE 19 (C) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<u>Inventories at the end of the year:</u>		
Finished goods	14.81	16.44
Work-in-progress	4.92	4.23
Stock-in-trade	0.54	0.24
	20.27	20.91
<u>Inventories at the beginning of the year:</u>		
Finished goods	16.44	9.94
Work-in-progress	4.23	4.49
Stock-in-trade	0.24	0.90
	20.91	15.33
<u>Changes in inventories</u>		
Finished goods	1.63	(6.50)
Work-in-progress	(0.69)	0.26
Stock-in-trade	(0.30)	0.66
Net (increase)/decrease	0.64	(5.58)

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 20 - EMPLOYEE BENEFITS EXPENSE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Salaries and wages, including bonus	27.62	25.69
(b) Contribution to provident and other funds (Refer Note No. 28)	2.07	2.15
(c) Share based payment transactions expenses	0.04	0.01
(d) Staff welfare expenses	1.66	1.32
Total Employee Benefit Expense	31.39	29.17

Pursuant to the "Employees Stock Option Scheme – 2014" (ESOS) approved by the Shareholders in the Annual General Meeting held on July 31, 2014, the Company had granted 80,424, 3,228, 1,33,432, 11,129, 80,110 and 71,459 Stock Options to the eligible employees on October 28, 2014, October 31, 2015, November 22, 2016, November 22, 2017, February 28, 2019 and March 12, 2021 respectively as per the recommendations of the Nomination and Remuneration Committee, at an exercise price of Rs 10/- each. In respect of the options granted in 2014, 2016, 2017, 2019 and 2021 the equity settled options vest in 5 tranches of 20% each upon the expiry of 12 months, 24 months, 36 months, 48 months and 60 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 20% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date. In respect of options granted in 2015, the equity settled options vest in 4 tranches of 25% each upon the expiry of 12 months, 24 months, 36 months and 48 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 25% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date.

The difference between the fair price of the share underlying the options granted on the date of grant of option and the exercise price of the option representing share based payment expenses is expected over the vesting period.

	Number of Shares	Grant Date	Expiry Date	Exercise Price	Fair value at Grant Date
Equity Settled					
1 Series 1 Granted on October 28, 2014	80,424	October 28, 2014	October 28, 2019	10	170.97
2 Series 2 Granted on October 31, 2015	3,228	October 31, 2015	October 31, 2019	10	170.97
3 Series 3 Granted on November 22, 2016	133,432	November 22, 2016	November 22, 2021	10	131.75
4 Series 4 Granted on November 22, 2017	11,129	November 22, 2017	November 22, 2022	10	169.43
5 Series 5 Granted on February 28, 2019	80,110	February 28, 2019	February 28, 2024	10	83.51
6 Series 6 Granted on March 12, 2021	71,459	March 12, 2021	March 12, 2026	10	144.09

Movement in Share Options

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Weighted average exercise price	Number of Shares	Weighted average exercise price
1 Outstanding at the beginning of the year	72,137	10	147,280	10
2 Granted during the year	-	10	-	10
3 Exercised during the year	(25,204)	10	(48,129)	10
4 Expired during the year	(8,988)	10	(27,014)	10
5 Outstanding at the end of the year	37,945	10	72,137	10

Options vested but not exercised on 31st March, 2024 - 21,383 options

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Share Options Exercised in the Year

Particulars	Year end March 31, 2024			Year end March 31, 2023		
	Number Exercised	Exercise Date	Share Price at Exercise Date	Number Exercised	Exercise Date	Share Price at Exercise Date
Equity Settled						
1 Series 3 Granted on November 22, 2016	-	-	-	19,916	May 04 2022	102
2 Series 4 Granted on November 22, 2017	1,437	April 28 2023	100.71	1,511	May 04 2022	102
3 Series 5 Granted on February 28, 2019	13,569	April 28 2023	100.71	16,504	May 04 2022	102
4 Series 6 Granted on March 12, 2021	10,198	April 28 2023	100.71	10,198	May 04 2022	102

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

Share Option Programmes

Particulars	Series 1		Series 2		Series 3		Series 4		Series 5		Series 6	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Share price at grant date	177.35	177.35	158.30	158.30	138.75	138.75	176.25	176.25	92.90	92.90	157.50	157.50
Exercise price	10	10	10	10	10	10	10	10	10	10	10	10
Expected volatility (weighted-average)	55%	55%	55%	55%	49%	49%	46%	45%	42%	41%	50%	-
Expected life/Option Life	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.0 Years	4.5 Years	4.0 Years	3.5 Years	-
Expected dividends yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.54%	0.54%	0.76%	-
Risk-free interest rate (based on government bonds)	8.06%	8.06%	8.06%	8.06%	6.33%	6.33%	6.94%	6.89%	7.19%	7.13%	5.00%	-

Expected early exercise option is not considered in the assumption at the time of valuation. Hence relevant disclosure is not applicable.

The fair value of the employee share options has been measured using the Black-Scholes option Pricing formula.

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 21 - FINANCE COST

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest expense on financial liabilities measured at amortised cost		
– On credit facilities from Banks	2.30	1.92
– On trade creditors	–	0.09
(b) Interest expense on Lease Rental (Refer Note 26)*	0.02	0.00
(c) Interest expense on delayed payment of taxes	0.32	0.16
(d) Interest expense on other borrowing cost		
Processing fees / Guarantee Commission	0.04	0.03
Unwinding of discount on provisions	0.03	0.02
Total finance costs	2.71	2.22

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses		
On financial liability at amortised cost	2.30	2.01

* Amount is lower than rounding off norm

NOTE NO. 22 - OTHER EXPENSES

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores consumed	1.00	0.76
Power & Fuel	4.75	4.18
Rent including lease rentals	2.78	2.24
Rates and taxes	0.82	1.29
Insurance	0.24	0.23
Repairs and maintenance - Machinery	0.86	0.67
Repairs and maintenance - Others	0.54	0.41
Commission on sales	17.17	13.01
Freight outward	8.63	6.19
Travelling and Conveyance Expenses	4.57	4.24
Subcontracting, Hire and Service Charges	11.05	7.64
Expenditure on corporate social responsibility (CSR) (Refer Note 22A)	–	0.31
Expected Credit Loss	10.27	8.26
Net loss on foreign currency transactions	0.33	0.05
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	0.20	0.19
(ii) For Other services	0.20	0.18

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
(iii) For Cost auditors for Cost audit	–	0.01
(iv) For reimbursement of expenses	0.02	0.06
Legal and other professional costs	2.90	2.22
Site Expenses	13.93	10.98
Provision for warranty	0.22	0.34
Loss on sale / written off assets	–	0.08
Directors' Fees and Commission	0.13	0.07
Other General Expenses	5.43	4.38
Total other expenses	86.04	67.99

NOTE NO. 22 A - SCHEDULE OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Details of CSR expenditure:	Rs. in Crores	
	March 31, 2024	March 31, 2023
(a) Gross amount required to be spent by the Company during the year	–	0.32
(b) Amount approved by the Board to be spent during the year	–	0.32
(c) Amount spent during the year		
i) Construction/acquisition of any asset	–	–
ii) On purposes other than (i) above**	–	0.31
	–	0.31
(d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	–	–
ii) Contribution to Charitable Trust	–	–
iii) Unspent amount in relation to:		
– Ongoing Project	–	–
– Other than ongoing project	–	–
	–	–

** Tree Plantation, Agriculture Equipment's, Solar Water Pump unit, Assistance to school, Health Check up, Vicinity, Drinking water facilities, Ensuring Environmental Sustainability, Promoting Preventive Healthcare & Sanitation.

In case of S. 135(5) Excess amount spent for the FY 2023-24			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance*
0.00	–	–	0.00

In case of S. 135(5) Excess amount spent for the FY 2022-23			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
0.01	0.32	0.31	0.00

* Amount is lower than rounding off norm.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)
NOTE NO. 23 - EARNINGS PER SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/loss for the year for basic and diluted EPS (Rs. in Crores)	1.67	(12.24)
Weighted average number of Equity shares used in computing basic EPS	2,79,10,944	2,78,87,604
Effect of potential Equity share on employee stock options	34,714	65,044
Weighted average number of equity shares used in computing of diluted EPS	2,79,45,658	2,79,52,648
Basic Earnings per share (Rs.) (Face value of Rs. 10 per share)	0.60	(4.39)
Diluted Earnings per share (Rs.) (Face value of Rs. 10 per share)	0.60	(4.39)

NOTE NO. 24 - FINANCIAL INSTRUMENTS**I Capital management**

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Net Debt and Equity is given in the table below :

Particulars	March 31, 2024	Rs. in Crores March 31, 2023
Total Shareholders' Equity as reported in Balance Sheet	165.28	163.41
Net Debts		
- Short term debt	15.42	15.00
Gross Debt	15.42	15.00
Less:		
- Cash and cash equivalents	0.20	4.42
Net Debts	15.22	10.58
Total Capital deployed	180.50	173.99

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

II Categories of financial assets and financial liabilities

Particulars	Amortised Costs	FVTPL	Rs. in Crores As at March 31, 2024	
			FVOCI	Total
Non-current Assets				
Investment	-	-	-	-
Trade Receivables	3.75	-	-	3.75
Other Financial Assets	1.58	-	-	1.58
Current Assets				
Trade Receivables	145.35	-	-	145.35
Cash and Cash Equivalents	0.20	-	-	0.20
Other Bank Balances	2.08	-	-	2.08
Other Financial Assets	0.73	-	-	0.73
Current Liabilities				
Borrowings	15.42	-	-	15.42
Trade Payables	61.33	-	-	61.33
Other Financial Liabilities	9.43	-	-	9.43

Particulars	Amortised Costs	FVTPL	Rs. in Crores As at March 31, 2023	
			FVOCI	Total
Non-current Assets				
Investment	0.48	-	-	0.48
Trade Receivables	14.11	-	-	14.11
Other Financial Assets	0.73	-	-	0.73
Current Assets				
Trade Receivables	113.74	-	-	113.74
Cash and Cash Equivalents	4.42	-	-	4.42
Other Bank Balances	2.61	-	-	2.61
Other Financial Assets	1.09	-	-	1.09
Current Liabilities				
Borrowings	15.00	-	-	15.00
Trade Payables	56.71	-	-	56.71
Other Financial Liabilities	11.27	-	-	11.27

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk management

Definition of default

The financial services business considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The company has dealings with government organisation for subsidy related transaction and with private parties. For private non government parties credit limits are set quarterly. The Company has adopted a policy of only dealing with creditworthy non government parties and obtaining security cheques, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of such parties are continuously monitored and controlled by counterparty limits that are reviewed by Credit Control function based on the approved process.

No interest is charged on overdue balance.

Trade receivables consist of a large number of customers, spread across geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable. There are no non government customers who represent more than 5% of the total balance of trade receivable.

The Company applies the simplified approach to provide expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

The loss allowance provision is determined as follows:

Rs. in Crores
As at March 31, 2024

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	18.45%	28.57%	
Gross carrying amount	2.41	164.08	4.97	171.46
Loss allowance provision	-	30.28	1.42	31.70
Non Project				
Expected loss rate	0.00%	40.61%	67.21%	
Gross carrying amount	-	15.39	0.61	16.00
Loss allowance provision	-	6.25	0.41	6.66
Contract Assets	2.83	-	-	2.83

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Rs. in Crores
As at March 31, 2023

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	12.71%	36.80%	
Gross carrying amount	1.79	106.82	18.81	127.43
Loss allowance provision	-	13.58	6.92	20.50
Non Project				
Expected loss rate	-	18.31%	60.37%	
Gross carrying amount	-	22.90	5.61	28.51
Loss allowance provision	-	4.19	3.39	7.58
Contract Assets	6.84	-	-	6.84

Reconciliation of loss allowance provision for Trade Receivables

Particulars	Rs. in Crores	
	March 31, 2024	March 31, 2023
Balance as at beginning of the year	28.08	19.82
Impairment losses recognised in the year based on lifetime expected credit loss		
- On receivables originated in the year	10.27	8.26
- Amounts written off during the year as uncollectible	-	-
- Amounts Recovered during the year	-	-
Balance at end of the year	38.36	28.08

The loss allowance provision has changed during the year due to recovery from debtors and business circumstances.

During the year, the company has written off Rs. NIL, (March 31, 2023 - Nil) of trade receivables.

Cash & Cash equivalents

The Company held cash and cash equivalents with credit worthy banks of Rs. 0.20 Crores as at 31 March 2024 (Rs 4.42 Crores as at 31 March 2023) and fixed deposits of Rs. 2.08 Crores as at 31 March 2024 (Rs 2.61 Crores as at 31 March 2023).

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short - medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores				
	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities					
March 31, 2024					
Non-interest bearing	71.24	70.92	0.32	-	-
Interest bearing	15.42	15.42	-	-	-
Total	86.65	86.34	0.32	-	-
March 31, 2023					
Non-interest bearing	68.04	68.04	-	-	-
Interest bearing	15.00	15.00	-	-	-
Total	83.04	83.04	-	-	-

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rs. in Crores				
	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets					
March 31, 2024					
Non-interest bearing	151.13	146.43	4.69	-	-
Fixed interest rate instruments	2.56	1.22	0.71	-	0.64
Total	153.69	147.65	5.40	-	0.64
March 31, 2023					
Non-interest bearing	134.01	119.25	14.27	-	0.48
Fixed interest rate instruments	3.17	2.61	-	-	0.57
Total	137.18	121.86	14.27	-	1.05

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. As at the year end, there were no material foreign currency exposure.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as below:

Exposure to foreign currency liabilities	Rs. in Crores			
	Trade receivables		Trade payables	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD	0.00	0.00	-	-
INR	0.09	0.22	-	-
SGD	-	-	0.00	-
INR	-	-	0.01	-
CHF	-	-	-	(0.00)
INR	-	-	-	(0.01)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

Exposure to interest rate

The Company's main interest rate risk arises from short term borrowings with variable interest rate and fixed interest rate carrying investments like fixed deposits with banks, which exposes the Company to cash flow interest rate risk.

Particulars	Rs. in Crores	
	March 31, 2024	March 31, 2023
Fixed rate instruments		
Financial assets (bank deposits)	2.56	3.17
Variable rate instruments		
Financial liabilities (Short term borrowings)	15.42	15.00

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate bank deposits and loans to its subsidiaries are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis for floating rate liabilities is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole period. A reasonable possible change of 100 basis points (100 bps) in interest rate at the reporting date would have increased / (decreased) profit after tax and equity by the amount shown below:

Particulars	Rs. in Crores			
	Profit or (loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31-Mar-24				
Variable-rate instruments	(0.15)	0.15	(0.11)	0.11
31-Mar-23				
Variable-rate instruments	(0.15)	0.15	(0.11)	0.11

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the MEIL business determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 25 - FAIR VALUE MEASUREMENT

The directors consider that the carrying amounts of financial assets and financial liabilities that are not measured at fair value, recognised in the financial statement approximate their fair values.

NOTE NO. 26 - LEASES (REFER NOTE 2B)

In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with remaining lease term of less than 12 months as if they were “short term leases”

The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease

On transition to Ind AS 116, the Company has followed the Modified Retrospective Approach, accordingly recognised right-of-use assets amounting to Rs. 360.55 lakhs, lease liabilities amounting to Rs. 55.21 lakhs as at April 1, 2019. The Company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019, which is 8.50% for measuring the lease liability. In view of this, the operating lease rent which was hitherto accounted under ‘Other expenses’ in previous periods has now been accounted as depreciation and finance costs.

The following is the movement in lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Opening Lease liabilities recognised	0.15	(0.00)
Additions	0.41	0.15
Finance cost accrued during the period*	0.02	0.00
Deletions	-	-
Payment of lease liabilities*	(0.11)	(0.00)
Closing Balance	0.47	0.15

The following is the break-up of current and non-current lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	0.16	0.05
Non-current lease liabilities	0.32	0.10
Closing Balance	0.48	0.15

Carrying Value of Right of use assets (Refer Note 2B) **3.31** **3.03**

The table below provides details regarding the contractual maturities of lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Less than one year	0.16	0.05
One to Three years	0.32	0.10

Rental expense recorded for short-term leases was Rs. 2.78 Crores (Previous Year: Rs. 2.24 Crores) for the year ended 31st March, 2024.

* Amount is lower than rounding off norm

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 27 - SEGMENT INFORMATION

The Company is engaged in the business of Precision Farming Products and Services and in a single geography viz, India. The Information reported to the chief operating decision maker (CODM) [Viz, The Managing Director] for assessment of performance of business and allocation of resources is under this segment.

Accordingly, The Company has identified a single segment under Ind AS 108 - “Operating Segments”.

Refer Note 17 for the analysis of revenue from it major products and services.

There is no single customer contributing 10% or more of total revenue.

NOTE NO. 28 - EMPLOYEE BENEFITS

(a) Defined Contribution Plan

The Company’s contribution to Provident Fund Rs.1.11 Crores (year ended March 31, 2023 : Rs. 1.10 Crores) and Superannuation Fund Rs. 0.42 Crores (year ended March 31, 2023 : Rs. 0.50 Crores) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Through its defined plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets under perform compared to the government bond discount rate, this will create or increase a deficit. The defined benefit plans hold on investment with LIC, which are expected to perform in line with government bonds in the long- term.

The company believes that due to the long-term nature of the plan liabilities, investments of funds with LIC is an appropriate element of the Company’s long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan assets.

Life expectancy

The plan’s obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan’s liabilities.

Defined benefit plans - as per actuarial valuation

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
Ia. Expense recognised in the Statement of Profit and Loss		
1. Current service cost	0.30	0.32
2. Interest cost	0.23	0.19
3. Expected return on plan assets	(0.30)	(0.23)
	0.23	0.29

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
Ib. Included in other Comprehensive Income		
1. Return on plan assets	(0.11)	0.03
2. Actuarial (Gain)/Loss on account of :	-	-
- Demographic Assumptions	0.11	0.04
- Financial Assumptions	0.01	(0.17)
- Experience Adjustments	(0.20)	(0.30)
	<u>(0.19)</u>	<u>(0.39)</u>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	(0.11)	0.03
Actuarial gains and loss arising from changes in financial assumptions	0.01	(0.17)
Actuarial gains and loss arising from experience adjustments	(0.20)	(0.30)
Others (describe)	-	-
- Demographic Assumptions	0.11	0.04
Actuarial gains and loss arising from components of defined benefit costs recognised in other comprehensive income	<u>(0.19)</u>	<u>(0.39)</u>
Total	<u>0.04</u>	<u>(0.10)</u>
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	3.75	3.62
2. Fair value of plan assets as at 31st March	4.57	4.16
3. Surplus/(Deficit)	0.82	0.53
4. Current portion of the above	-	-
5. Non current portion of the above	0.82	0.53
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	3.62	3.74
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	0.30	0.32
- Interest Cost	0.23	0.19
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains/(losses)	-	-
- Actuarial Gain (Loss) arising from:		
- Demographic Assumptions	0.11	0.04
- Financial Assumptions	0.01	(0.17)
- Experience Adjustments	(0.20)	(0.30)
5. Benefit payments	(0.32)	(0.21)
6. Present value of defined benefit obligation at the end of the year	<u>3.75</u>	<u>3.62</u>
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	4.16	3.97
2. Adjustment to Opening Fair Value of the Asset	-	-
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	0.30	0.23
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains/(losses)	-	-
- Actual Return on plan assets in excess of the expected return	0.11	(0.03)
- Others (specify)	-	-

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
5. Contributions by employer (including benefit payments recoverable)	-	-
6. Benefit payments	-	-
7. Fair value of plan assets at the end of the year	<u>4.57</u>	<u>4.16</u>
IV. The Major categories of plan assets		
- Funds Managed By Insurer (LIC of India)	4.57	4.16
V. Actuarial assumptions		
1. Discount rate	6.94%	7.12%
2. Expected rate of return on plan assets	6.00%	6.00%
3. Salary escalation	3.00%	3.00%
	IALM	IALM
4. Mortality Rate disclosure	(2012-14) Ult.	(2012-14) Ult.
5. Attrition rate	28.39%	18.00%

The sensitivity analysis of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Rs. in Crores	
			Increase in assumption	Decrease in assumption
Discount rate	2024	1.00%	0.08	0.08
	2023	1.00%	0.11	0.13
Salary growth rate	2024	1.00%	0.06	0.06
	2023	1.00%	0.10	0.10

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:	Rs. in Crores	
	2024	2023
Within 1 year	1.30	0.86
1 - 2 year	1.04	0.75
2 - 3 year	0.57	0.71
3 - 4 year	0.46	0.42
4 - 5 year	0.32	0.40
5 - 10 year	0.64	1.18

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	2024	2023
Weighted average remaining duration of Defined Benefit Obligation (No of Years)	2.19	3.70
		Rs. in Crores
	2024	2023
Expected contribution to the plan for next financial year:	1.30	0.86

NOTE NO. 29 - RELATED PARTY DISCLOSURES

Name of the parent Company	Relationship
Mahindra and Mahindra Ltd	Parent Company
Other related parties with whom transaction have been undertaken	
Mahindra Logistics Ltd	Fellow subsidiary
Mahindra HZPC Pvt Ltd	Fellow subsidiary
Mahindra Agri Solutions Ltd	Fellow subsidiary
Mahindra Lifespace Developers Ltd	Fellow subsidiary
Mahindra Integrated Business Solutions Pvt Ltd	Fellow subsidiary
Mahindra and Mahindra Ltd - Swaraj	Fellow subsidiary
Mahindra Summit Agriscience Limited	Fellow subsidiary
Marvel Solren Pvt Ltd	Fellow subsidiary
Mahindra Top Greenhouses Private Limited	Joint Venture
Mr. Ashok Sharma	Key Management Personnel (Managing Director) upto August 31 2023
Mr. Ramesh Ramchandran	Key Management Personnel (Managing Director) w.e.f. September 01 2023
Mr. Abhijit Page	Key Management Personnel (Chief Executive Officer)
Ms. Sunetra Ganesan	Key Management Personnel (Chief Financial Officer)
Mr. Ratnakar Nawghare	Key Management Personnel (Company Secretary)

Details of transaction between the Company and its related parties are disclosed below:

	Rs. in Crores	
Nature of transactions with Related Parties	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods		
Mahindra Top Greenhouses Private Limited	0.01	0.06
Purchase of Goods & Services		
Marvel Solren Pvt Ltd.	0.19	0.18
Mahindra Top Greenhouses Private Limited	0.50	-
Purchase of Vehicle		
Mahindra and Mahindra Ltd	0.34	-
Remuneration		
Mr. Ashok Sharma	0.15	0.36
Mr. Ramesh Ramchandran	0.10	-
Mr. Abhijit Page	0.79	0.77

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Nature of transactions with Related Parties	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Ms. Sunetra Ganesan	0.69	0.67
Mr. Ratnakar Navghare	0.35	0.31
Management contract fees expenses (Including for deputation of personnel)		
Mahindra Logistics Limited	-	0.03
Management contract fees income (Including for deputation of personnel)		
Mahindra Top Greenhouses Private Limited	0.36	0.71
Business Support Services		
Mahindra and Mahindra Limited	1.03	1.07
Mahindra Farm Equipment Sector	0.09	0.13
Reimbursement of Expenses to		
Mahindra and Mahindra Limited	0.17	0.13
Mahindra Agri Solutions Ltd.	0.00	0.01
Reimbursement of Expenses from		
Mahindra Top Greenhouses Private Limited	0.05	0.10
Professional Fees		
Mahindra and Mahindra Limited	0.43	0.25
Mahindra Integrated Business Solutions Pvt Ltd.	0.03	0.02

Nature of Balances with Related Parties	As at	
	March 31, 2024	March 31, 2023
Trade payables		
Mahindra and Mahindra Limited (HO)	0.42	0.49
Mahindra Integrated Business Solutions Pvt Ltd	0.00	0.00
Mahindra Agri Solutions Ltd	0.04	0.07
Marvel Solren Pvt Ltd	0.01	0.02
Mahindra Farm Equipment Sector	-	0.03
Trade Receivables		
Mahindra and Mahindra Limited (AUTO)	0.12	0.29
Mahindra Lifespace Developers Ltd	0.03	0.03
Mahindra Farm Equipment Sector	0.02	-
Mahindra Top Greenhouses Private Limited	-	0.46
Investments		
Investment in Joint Venture - Mahindra Top Greenhouses Private Limited	-	0.48

* Company has incurred Rs. Rs 0.25 Crores (March 31, 2023 Rs. 0.36 Crores) for key managerial personnel services provided by Mahindra and Mahindra Limited and Mahindra Agri Solutions Limited.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)**Compensation of key managerial personnel**

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	Year ended March 31, 2024						Year ended March 31, 2023					
	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total
Remuneration	-	0.25	0.79	0.69	0.35	2.08	-	0.36	0.77	0.67	0.31	2.11
Fees for attending board committee meetings	0.10	-	-	-	-	0.10	0.07	-	-	-	-	0.07
Commission to independent directors	-	-	-	-	-	-	-	-	-	-	-	-
Post-employment benefits*	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-	-	-	-	-	-	-

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. Post employment benefits accounted as per actuarial valuation.

NOTE NO. 30 - CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2024	Rs. in Crores As at March 31, 2023
Contingent liabilities (to the extent not provided for)		
Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	0.27	0.31
(b) Demands against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal / Department is in appeal		
Excise Duty:	2.32	2.25
(c) Non-current non-financial asset includes refund claim made for excise duty paid under protest consequent upon the judicial pronouncement made by CESTAT in favour of the Company, which was disputed by the department before higher authorities.	-	1.67

The Commissioner (Appeals), Central Excise and Customs, Nashik has sanctioned the claim on merit but taking recourse to the principle of "Unjust Enrichment" has ordered the claim to be transferred to the credit of the "Consumer Welfare Fund".

The Company had filed an appeal against the order. On hearing the appeal the Hon' CESTAT, Mumbai remanded back the case to the adjudicating authorities to examine the issue afresh. The Adjudicating Authority issued a Show Cause Notice and after personal hearing passed an order rejecting the claim without following the guidelines given by the Hon' CESTAT.

The Company had filed an appeal against the order with the Commissioner (Appeals), Central Excise & Customs, Nashik. The order Passed by the Commissioner (Appeals), Central Excise & Customs, Nashik is similar to order as given in order in appeal. The Company has filed an appeal to CESTAT Mumbai and no hearing has happened thereafter. The Claim is still tenable, no provision has been considered.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Contingent liabilities (to the extent not provided for)		
(d) Local Sales Tax Bihar – CST Recovery Under appeal FY 13-14	0.09	0.09
(e) Income Tax demand for A.Y. 17-18 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	–	1.68
(f) Income Tax demand for A.Y. 12-13 u/s section 143(3) r.w.s. 147 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	2.99	2.78
(g) Income Tax demand for A.Y. 18-19 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	–	0.60
(h) Income Tax demand for A.Y. 20-21 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	–	0.04
(i) SGST MH demand order FY 18-19 (Including interest & penalty) issues involved valuation of supply (Second provision related to rule 28 CGST & penalty for non registration of ISD)	6.83	–
Total	12.51	9.42

Note: In respect of items mentioned above, till the matters are finally decided, the timing of outflows of economic benefits cannot be ascertained.

NOTE NO. 31 - COMMITMENTS

	Rs. in Crores	
Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of Tangible assets.	0.70	0.05

NOTE NO. 32 - DIVIDEND

The Board has recommended a dividend of Rs. Nil per equity share (FY 22-23 Rs Nil Per equity share).

NOTE NO. 33 - EVENT OCCURRING AFTER THE REPORTING PERIOD

No material events have occurred between the Balance sheet date and before the approval of financials statements by Board of Directors.

NOTE NO. 34 - DISCLOSURE OF INTEREST IN JOINT VENTURE AS PER IND AS 112.

(a) Details of the Joint Venture at the end of the reporting period are as follows:

Name of the Joint Venture	Place of incorporation & place of operation	Proportion of Ownership	
		As at 31st March	
		2024	2023
Mahindra Top Greenhouses Private limited (MTGPL)*	Nashik, India.	60%	60%

* MTGPL - Business of Protected cultivation Technology products

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

Additional regulatory information

Note No. 34A - Ratio Analysis and its elements

Ratio	Numerator	Denominator	Standalone		
			FY 2024	FY 2023	% Change
Debtors Turnover (Days)	Average Debtors	Net Sales	239	305	-21.63%
Inventory Turnover (Times)	COGS	Average Inventory	3.29	3.32	-0.75%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	7.53	0.81	832.84%
Current Ratio (Times)	Total Current Assets	Total Current Liabilities	2.35	2.20	6.77%
Debt Equity Ratio (Times)	Debt	Shareholders Equity	0.09	0.09	1.60%
Net Profit Margin (%)	PAT	Net Sales	0.64%	-5.82%	-110.94%
Return on Equity (%)	PAT	Net Worth	1.02%	-7.23%	-114.06%
Trade Payable Turnover (Days)	Average Trade Payables	Net Purchases	152	166	-8.82%
Return on Capital employed	EBIT	Capital Employed	3.11%	-7.58%	-141.01%
Working Capital Turnover Ratio	Net Sales	Average Working Capital	2.14	1.96	8.83%
Return on Investments	Income generated from invested fund	Average invested funds in treasury investment	7.42%	2.84%	161.76%

Reasons for changes in ratios:

Debt Service Coverage Ratio

Improvement in earnings.

Net Profit Margin, Return on Equity & Return on Capital employed

Improved revenue, lower input costs resulting to improvement in earnings.

Return on Investments

Increase in investments held.

NOTE NO. 34B - ADDITIONAL REGULATORY INFORMATION

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (iv) The Company has neither declared nor paid any dividend during the year.
- (v) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (vi) The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) The company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the standalone financial statements for the year ended March 31, 2024 (Contd.)

(viii) The Company has reviewed the transactions to identify if there are any transactions with struck off companies. To the extent information is available, there are no such transactions except the list of companies mentioned below:

Sr. No	Name of the struck off company	Nature of Transaction	Transaction during the year/Balance outstanding (Rs. in Crores)	Relationship with the struck off company
1	Allied Agritech Private Limited	Purchase	0.03	Vendor
2	Allied Agritech Private Limited	Payables	0.02	Vendor
3	NRE Plastic Private Limited	Recoverable	0.00	Vendor
4	NRE Plastic Private Limited	Receivables	0.03	Customer
	Total amount		0.08	

NOTE NO. 35 - DISCLOSURE UNDER RULE 11(E) OF THE COMPANIES RULES 2014

No Funds have been advanced, loaned, invested or provided any guarantee, security or the like to or on (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE NO. 36 - CODE OF SOCIAL SECURITY

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTE NO. 37 - APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were approved by the Board of Directors and authorised for issue on April 23, 2024.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership no.116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary
Place : Nashik

Date : April 23, 2024

Anand Daga
Director
DIN-00696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

INDEPENDENT AUDITOR’S REPORT

To the Members of Mahindra EPC Irrigation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Mahindra EPC Irrigation Limited** (hereinafter referred to as the “Company”) and its joint venture, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its joint venture as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Revenue from sale of products and Expected credit loss (ECL) on Trade receivable

See Note 1 (L) & (U) of Significant Accounting Policies and Note 5 & 17 to the consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue from sale of products is recognised when the control of the underlying products has been transferred to the customer. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. There is a presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due to pressure to achieve performance targets and meeting the external expectations.</p> <p>Trade receivables comprise of receivables from state government owned enterprises and private dealers. We have identified impairment of trade receivables as a key audit matter on account of the significant judgments and estimates involved especially around the customer's ability and willingness to pay the outstanding amounts and probability of default for each customer over the expected life of the receivables.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtained an understanding of the systems, processes and controls implemented by the Company around recognition of revenue and for measurement of impairment towards trade receivables; • Evaluated the Company's accounting policies towards revenue recognition and measurement of impairment of trade receivable in the context of the applicable accounting standards; • We evaluated the design, implementation and operating effectiveness of the relevant internal financial controls, including automated controls, with respect to revenue recognition and impairment of trade receivables; • Tested revenue recognized during the year by selecting samples, through statistical sampling, and verifying the underlying customer contracts, sales orders, shipping documents and customer acceptances; • Testing of revenue recognized near the year-end, through statistical sampling, to verify only the revenue pertaining to current year is recognized based on shipping documents and customer acceptances;

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
<p>Based on this assessment, credit loss rate is determined after considering the experience of actual credit losses over past years adjusted to reflect the expected collections, current economic conditions and forecasts. The company then records the impairment (Expected Credit Loss or ECL) towards trade receivables based on such credit loss rate.</p>	<ul style="list-style-type: none"> • We have evaluated the historical accuracy of ECL towards trade receivables by examining the actual write-offs / reversals and new allowances recorded in the current year; • We have verified the ECL provision working for trade receivables including the method, assumptions and data used to determine the ECL on non-current debtors; • We have tested the ageing analysis and subsequent receipt of trade receivables, for samples selected through random sampling; • Assessed the adequacy of the related disclosures in the Consolidated financial statements with reference to revenue recognition and impairment of trade receivables as per relevant accounting standards.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Company of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that

are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Company of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its joint venture are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Company as on 31 March 2024 taken on record by the Board of Directors of the Company and its joint venture incorporated in India, none of the directors of the Company and its joint venture incorporated

in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

- f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Company and its joint venture. Refer Note 30 to the consolidated financial statements.
 - b. The Company and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company and its joint venture incorporated in India during the year ended 31 March 2024.
 - d (i) The respective management of the Company and its joint venture incorporated in India whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, as disclosed in the Note 37 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and its joint venture to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its joint venture (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective management of the Company and its joint venture incorporated in India whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, as disclosed in the Note 37 to the consolidated financial statements, no funds have been received by the Company and its joint venture from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company and its joint venture shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company and its joint venture incorporated in India has neither declared nor paid any dividend during the year.
 - f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company and its joint venture incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions

recorded in the respective software except that the audit trail was not enabled at the database level to log any direct data changes for such accounting software used for maintaining the books of account. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company and its joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company

and its joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:24116240BKGSOJ4898

Date: 23rd April 2024
Place: Nashik

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Mahindra EPC Irrigation Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:24116240BKGSOJ4898

Date: 23rd April 2024
Place: Nashik

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Mahindra EPC Irrigation Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Mahindra EPC Irrigation Limited (hereinafter referred to as "the Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company and such company incorporated in India under the Act which is its joint venture company. Reporting on internal financial controls over financial reporting is not applicable to the Joint venture, as of that date.

In our opinion, the Company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the

Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:24116240BKGSOJ4898
Date: 23rd April 2024
Place: Nashik

CEO AND CFO CERTIFICATION

We, the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer, to the best of our knowledge and belief certify that:

- A) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief, We confirm that :
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 are fraudulent, illegal or violative of the Company's code of conduct/ethics.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies

in the design or operation of internal controls, over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- D) We have indicated to the Auditors and the Audit Committee that:
- 1) there has not been any significant change in internal control over financial reporting during the year under reference;
 - 2) there has not been any significant change in the accounting policies during the year requiring the disclosure in the notes to the financial statements; and
 - 3) We are not aware of any instance during the year of significant fraud with involvement therein of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Sunetra Ganesan
Chief Financial Officer

Abhijit Page
Chief Executive Officer

Nashik, 23rd April, 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	Rs. in Crores	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2A	17.98	18.37
(b) Capital Work-in-Progress	2C	0.09	0.10
(c) Right of Use Assets	2B	3.31	3.03
(d) Other Intangible Assets	3	0.14	0.27
(e) Investments accounted using equity method	4	—	0.48
(f) Financial Assets			
(i) Trade Receivables	5	3.75	14.11
(ii) Other Financial Assets	6	1.58	0.73
(g) Deferred Tax Assets (net)	7	11.25	12.03
(h) Income Tax Assets (net)	-	4.54	5.37
(i) Other Non-Current assets	8	0.61	2.29
Total Non-Current Assets		43.25	56.78
II CURRENT ASSETS			
(a) Inventories	9	44.46	40.22
(b) Financial Assets			
(i) Trade Receivables	5	145.35	113.74
(ii) Cash and Cash Equivalents	10	0.20	4.42
(iii) Bank Balances other than (ii) above	10	2.08	2.61
(iv) Other Financial Assets	6	0.73	1.09
(c) Other Current Assets	8	21.02	34.32
Total Current Assets		213.84	196.40
III Total Assets (I + II)		257.09	253.18
EQUITY AND LIABILITIES			
IV EQUITY			
(a) Equity Share Capital	11A	27.91	27.89
(b) Other Equity	11B	137.37	135.52
Total Equity		165.28	163.41
LIABILITIES			
V NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	26	0.32	0.10
(b) Provisions	14	0.48	0.42
Total Non-Current Liabilities		0.80	0.52
VI CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	15.42	15.00
(ii) Lease Liabilities	26	0.16	0.05
(iii) Trade Payables	15		
a) total outstanding dues of micro enterprises and small enterprises		3.31	3.67
b) total outstanding dues of creditors other than micro enterprises and small enterprises		58.02	53.05
(iv) Other Financial Liabilities	12	9.43	11.27
(b) Other Current Liabilities	16	2.51	3.94
(c) Provisions	14	2.16	2.27
Total Current Liabilities		91.01	89.25
VII Total Liabilities (V+VI)		91.81	89.77
VIII Total Equity and Liabilities (IV+VII)		257.09	253.18
The accompanying notes 1 to 39 are an integral part of the Financial Statements	1-39		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary

Place : Nashik
Date : April 23, 2024

Anand Daga
Director
DIN-696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note No.	For the year ended March 31, 2024	Rs. in Crores For the year ended March 31, 2023
I Revenue from operations	17	262.45	210.37
II Other Income	18	3.06	2.76
III Total Income (I + II)		265.51	213.13
IV EXPENSES			
(a) Cost of materials consumed	19(a)	137.30	131.82
(b) Purchases of Stock-in-trade	19(b)	1.37	0.18
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	19(c)	0.64	(5.58)
(d) Employee benefits expense	20	31.39	29.17
(e) Finance costs	21	2.71	2.22
(f) Depreciation and amortisation expense	2A,2B,3	3.15	3.08
(g) Other expenses	22	86.04	67.99
Total Expenses (IV)		262.60	228.88
V Profit/(Loss) before share of profit/(loss) of joint venture and income tax (III-IV)		2.91	(15.75)
VI Share of Profit/(Loss) of Joint Venture (Net)	4	(0.48)	(0.28)
VII Profit/(loss) before tax (V+VI)		2.43	(16.03)
VIII Tax Expense			
(1) Current tax	7	—	—
(2) Deferred tax	7	0.72	(3.84)
(3) Short/(Excess) provision for tax relating to prior years		0.04	0.12
Total tax expense (VIII)		0.76	(3.72)
IX Profit/(loss) after tax for the year (VII - VIII)		1.67	(12.31)
X Other comprehensive income/(loss)			
(i) Remeasurements of defined benefit plans		0.19	0.39
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.05)	(0.10)
Other comprehensive income for the year attributable to owners of the company		0.14	0.29
XI Total comprehensive income for the year attributable to owners of the company (IX+X)		1.81	(12.02)
XII Earnings per equity share			
(1) Basic (Face value Rs. 10 per share)	23	0.60	(4.41)
(2) Diluted (Face value Rs. 10 per share)	23	0.60	(4.41)
The accompanying notes 1 to 39 are an integral part of the Financial Statements	1-39		

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary

Place : Nashik
Date : April 23, 2024

Anand Daga
Director
DIN-696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

Particulars	For the Year ended March 31, 2024	Rs. in Crores For the Year ended March 31, 2023
(Loss)/ Profit before tax for the period	2.43	(16.03)
Adjustments for:		
Finance costs	2.71	2.22
Interest income	(0.23)	(0.13)
Liabilities no longer required written back	(2.63)	(2.36)
Loss/(Profit) on disposal of property, plant and equipment*	0.00	0.08
Impairment loss recognised on trade receivables	10.27	8.26
Depreciation and amortisation expense	3.15	3.08
Expense recognised in respect of equity-settled share-based payments	0.04	0.01
Share of loss in joint venture	0.48	0.28
	<u>16.22</u>	<u>(4.59)</u>
Movements in working capital:		
(Increase)/Decrease in trade receivables	(31.52)	39.36
(Increase)/Decrease in inventories	(4.24)	(4.17)
(Increase)/Decrease in other financial and non current assets	0.90	0.06
(Increase)/Decrease in other financial and current assets	13.66	(8.20)
(Decrease)/Increase in trade payables	7.27	(2.95)
(Decrease)/Increase in provisions	0.14	(0.48)
(Decrease)/Increase in lease liability	—	0.15
(Decrease)/Increase in other financial and non financial current liabilities	(1.65)	1.35
	<u>(15.44)</u>	<u>25.12</u>
Cash (used in) /generated from operations	0.78	20.53
Income taxes paid (net)	0.80	(1.50)
Net cash (used in)/ generated from operating activities	<u>1.58</u>	<u>19.03</u>
Cash flows from investing activities		
Payments to acquire property, plant and equipment and other Intangible assets	(2.48)	(2.18)
Proceeds on sale of plant and equipment and other Intangible assets	0.06	0.03
Interest received	0.10	0.17
Fixed Deposits placed during the year	2.35	1.93
Fixed Deposits matured during the year	(1.70)	(2.35)
Net cash (used in) investing activities	<u>(1.67)</u>	<u>(2.40)</u>
Cash flows from financing activities		
Proceeds from issue of equity instruments	0.02	0.05
(Repayment)/Proceeds from short term borrowings (net)	0.42	(10.19)
Interest paid	(4.46)	(2.11)
Repayment in lease liability	(0.11)	—
Net cash generated from/ (used in) financing activities	<u>(4.13)</u>	<u>(12.25)</u>
Net (Decrease) in cash and cash equivalents	<u>(4.22)</u>	<u>4.38</u>
Cash and cash equivalents at the beginning of the year	4.42	0.04
Cash and cash equivalents at the end of the period	<u>0.20</u>	<u>4.42</u>
Components of cash and cash equivalents		
Cheques in hand	—	1.67
With Banks - on Current account/Balance in Cash Credit Accounts	0.20	2.75
	<u>0.20</u>	<u>4.42</u>

* Amount is lower than rounding off norm

** Refer note no. 13 for Cash & Non Cash movement as per Ind AS 7

See accompanying notes to the financial statements

1-39

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary

Place : Nashik
Date : April 23, 2024

Anand Daga
Director
DIN-696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

Rs. in Crores

A. Equity share capital		27.84
As at March 31, 2022		27.84
Changes in Equity Share Capital due to prior period errors		—
Restated balance as at March 31, 2022		27.84
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan (Refer note 20)		0.05
As at March 31, 2023		27.89
Changes in Equity Share Capital due to prior period errors		—
Restated balance as at March 31, 2023		27.89
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan (Refer note 20)		0.02
As at March 31, 2024		27.91

B. Other Equity

Rs. in Crores

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share based payments (ESOP)	Retained earnings	
Balances as at March 31, 2022	0.40	94.28	4.25	1.25	47.35	147.54
Changes in Equity Share Capital due to prior period errors	—	—	—	—	—	—
Restated balance as at March 31, 2022	0.40	94.28	4.25	1.25	47.34	147.53
Profit for the year	—	—	—	—	(12.31)	(12.31)
Other Comprehensive Income/(loss) (net of tax)	—	—	—	—	0.29	0.29
Total Comprehensive Income for the year	—	—	—	—	(12.02)	(12.02)
Transactions with owners of the Company: Contributions & distributions						
Dividend paid on Equity Shares	—	—	—	—	—	—
Exercise of employee stock options	—	0.57	—	(0.57)	—	—
Share based payment to employees	—	—	—	0.01	—	0.01
Share Application money received	—	—	—	—	—	—
Balances as at March 31, 2023	0.40	94.86	4.25	0.68	35.32	135.52
Changes in Equity Share Capital due to prior period errors	—	—	—	—	—	—
Restated balance as at March 31, 2023	0.40	94.86	4.25	0.68	35.32	135.52
Profit for the year	—	—	—	—	1.67	1.67
Other Comprehensive Income/(loss) (net of tax)	—	—	—	—	0.14	0.14
Total Comprehensive Income for the year	—	—	—	—	1.81	1.81
Transactions with owners of the Company: Contributions & distributions						
Dividend paid on Equity Shares	—	—	—	—	—	—
Exercise of employee stock options	—	0.28	—	(0.28)	—	—
Share based payment to employees	—	—	—	0.04	—	0.04
Share Application money received	—	—	—	—	—	—
Balances as at March 31, 2024	0.40	95.14	4.25	0.44	37.13	137.37
Remeasurement gain (net) on defined benefit plans Rs. 0.14 Crores (March 31, 2023 loss (net) Rs. 0.29 Crores) is recognised as part of retained earnings.						
For nature of reserves refer note no. 11 B						

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership No.: 116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary

Place : Nashik
Date : April 23, 2024

Anand Daga
Director
DIN-696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

Notes to the consolidated financial statements for the year ended March 31, 2024

Note No. 1 - Corporate information and material accounting policies

A. Corporate Information

Mahindra EPC Irrigation Limited (Company) is a Public Limited Company listed on the Bombay Stock Exchange Limited and National Stock Exchange. It was incorporated on November 28, 1981 under the Companies Act, 2013. It is engaged in the business of Micro Irrigation Systems such as Drip and Sprinklers, Agricultural Pumps, Greenhouses and Land Landscape Products. The Company is a public limited Company and domiciled in India. The address of its corporate office is H-109, MIDC, Ambad, Nashik, Maharashtra 422010. As at 31st March 2023 Mahindra & Mahindra Limited, the holding company own 54.39% of the Company's equity share capital.

B. Basis of preparation

a. Statement of compliance

These consolidated financial statements of Mahindra EPC Irrigation Limited ('the Company') and its Joint Venture have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 23rd April 2024.

b. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is

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

All other assets are classified as non-current.

A liability is treated as current when

- a. It is expected to be settled in normal operating cycle;
- b. It is held primarily for the purpose of trading;
- c. It is due to be settled within twelve months after the reporting period; or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

C. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Mahindra EPC Irrigation Limited and its Joint venture.

Joint Arrangements

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**D. Basis of measurement and fair value**

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments & net defined benefit liability that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

E. Functional and presentation currency

These financial statements are presented in Indian Rupees ('Rupees') which is also the Company's functional currency. All amounts are rounded-off to the nearest rupee in crores (two decimals), unless otherwise indicated.

F. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

G. Property, Plant and equipment:

Property, Plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost includes cost of acquisition or construction and is stated at historical cost.

Depreciation on all property, plant and equipment, is provided on Straight Line Method as per the estimated useful life. Leasehold Assets are depreciated over the shorter of the lease term and their useful lives. Depreciation on additions to assets or on sale / disposal of assets is calculated from the date of such addition or up to the date of such sale / disposal as the case may be.

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, based on the Company's expected usage pattern supported by technical assessment:

Assets	Useful life	Life as per Scheduel II
Buildings		
Factory Building	30 Years	30 Years
Office Building	60 Years	60 Years
Extrusion Machines	19 Years	8 Years
Other Machineries	10 Years	15 Years
Electrical Installations, factory Equipments, furniture	10 Years	10 Years
Moulds and Dies	10 Years	15 Years
Office Equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles - Cars (For employee use)	5 Years	8 Years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

H. Intangible Assets:

Intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

Intangible assets are recognised only when economic benefit attributable to the assets will flow to the enterprise and cost can be measured reliably. They are being amortised over the estimated useful life of 36 months.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

I. Impairment of Assets:

The carrying value of assets / cash generating units at each balance sheet date are reviewed for impairment. Carrying value of assets should exclude inventories and deferred tax / cash generating units. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss of the amount. They are arrived at cost less accumulated amortisation and accumulated impairment losses.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

J. Inventories:

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

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. The comparison of cost and net realisable value is made on an item-by-Item basis.

Cost is determined on the basis of the weighted average method.

K. Foreign Exchange Transactions:

In preparing the financial statements transactions in other than the company's functional currency are recorded at the exchange rates prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be. Non - Monetary items that are measured in terms of historical cost in a foreign currency are not restated.

L. Revenue recognition:**Revenue from contracts with customer**

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on the consideration specified in a contract with a customer, stated net of discounts, returns and Goods and Service tax.

The Company recognises revenue from the following major sources:

- a) Sale of Products; and
- b) Sale of Services.
- a) **Sale of Products**

The company sells Micro irrigation systems (MIS) both to the Open market and Project market. Sales-related warranties associated with MIS cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (refer note no. 14).

For sales of MIS to open market, revenue is recognised when control of the good has transferred, being when the goods have been delivered to the dealer based on the terms and conditions in his agreement. Following delivery, the dealer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

For sales of MIS to project market, revenue is recognised when control of the good has transferred, being when the goods have been installed at the farmers' place as per the approved design and acknowledged by the implementing agency. Following which farmer has full control of the MIS.

A receivable is recognised by the Company when the goods are delivered to the distributor /MIS installation acknowledged by the implementing agency as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

Project revenue is recognised on the basis of cost completion after the threshold limit of 30% of the cost is completed.

b) Sale of Services

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

M. Other income:

Dividend income from investments is recognised in statement of profit and loss when the shareholders right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest method is a method of calculating the amortised cost of the financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, to that asset's net carrying amount on initial recognition.

N. Employee benefits:

a) Short term and other long term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that services. Liabilities recognised in respect of other long -term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

b) Post-employment benefits

(i) Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

(ii) Defined benefit plans

The employees' gratuity fund scheme, managed by Life Insurance Corporation (LIC) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

(iii) Share based payment

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to the equity-settled employee benefits reserve.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**Other long-term benefits:**

Compensated absences: Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

O. Leases:

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognise a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116.

The right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is also assessed for impairment when such indicators exist.

As a lessor:

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term.

P. Borrowing Costs:

All borrowing costs are charged to the Statement of Profit and Loss except, borrowing costs that are attributable to the acquisition or construction of qualifying assets which are those that necessarily take a substantial period of time to get ready for their intended use or sale, which are capitalised as part of the cost of such assets.

Q. Product Warranty:

In respect of warranties given by the Company on sale of certain products, the estimated costs of these warranties are accrued at the time of sale. The estimates for accounting of warranties are discounted when required and are reviewed and revisions are made as required by the management of the company.

R. Taxes on income:

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Uncertain Tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

Company has not recognised the deferred tax assets/liabilities on gain/(loss) on disposal of investment in joint venture as at reporting date.

Company recognises the temporary differences on Right of use assets (ROU) and lease liabilities on net basis as at reporting date.

• Current Tax

Income Taxes are accounted for in accordance with IND AS-12. Tax expenses comprise both current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act 1961, and other applicable tax laws.

• Deferred Tax

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

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

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

S. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits - Refer Note No. 28) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions & contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities and assets are not recognised but are disclosed in the notes.

T. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the company. The CODM of the company reviews the operation of the company as Precision Farming Products & Services.

U. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement**Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Trade Receivables

Trade receivables are initially recognised at fair value except for those without a significant financing component which are initially measured at transaction price. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

All other financial assets are subsequently measured at fair value.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. Assessment of whether there is significant increase in the credit risk of a particular customer is performed periodically basis a review of collection trends, credit worthiness and other macro economic factors.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

V. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

- useful life of property, plant and equipment and intangible assets (Refer Note 1, Point G)
- estimation of defined benefit obligation (Refer Note 28)
- provision for warranty claims (Refer Note 14)
- income taxes - current and deferred taxes (Refer Note 7)
- impairment of trade receivables (Refer Note 5)

Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment within the next financial year is included in relevant notes for the above items.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**W. Contingent Liabilities & Commitments**

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

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (ii) The Company does not expect any reimbursements in respect of the contingent liabilities.
- (iii) The Company's pending litigations comprise of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.

X. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits with banks & financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

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

Y. Earnings per share

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

To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)
NOTE NO. 2A - PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Rs. in Crores									
	Buildings	Plant and Equipment	Electrical Installations	Factory Equipments	Moulds and Dies	Office Equipment	Furniture and Fixtures	Computers	Vehicles	Total
I. Gross Carrying Amount										
Balance as at March 31, 2023	9.98	42.37	1.66	1.98	11.32	0.67	1.09	1.65	1.48	72.21
Additions	0.06	1.08	—	0.21	0.50	0.06	0.05	0.08	0.52	2.56
Disposals	—	—	—	—	—	—	0.00	0.00	0.40	0.40
Balance as at March 31, 2024	10.04	43.45	1.66	2.19	11.82	0.73	1.14	1.73	1.60	74.37
II. Accumulated depreciation										
Balance as at March 31, 2023	7.36	29.16	1.46	1.32	10.75	0.47	0.93	1.26	1.11	53.84
Depreciation expense for the year	0.29	1.90	0.02	0.10	0.11	0.07	0.04	0.18	0.18	2.89
Eliminated on disposal of assets	—	—	—	—	—	—	0.04	0.05	0.25	0.34
Balance as at March 31, 2024	7.65	31.06	1.48	1.42	10.86	0.54	0.93	1.38	1.04	56.39
III. Net carrying amount (I-II)	2.39	12.39	0.18	0.77	0.96	0.19	0.21	0.35	0.56	17.98
I. Gross Carrying Amount										
Balance as at March 31, 2022	9.79	41.77	1.61	2.00	11.32	0.65	1.14	1.37	1.79	71.45
Additions	0.19	0.79	0.05	0.05	—	0.06	0.01	0.35	—	1.50
Disposals	—	0.19	0.00	0.07	—	0.04	0.06	0.08	0.31	0.74
Balance as at March 31, 2023	9.98	42.37	1.66	1.98	11.32	0.67	1.09	1.65	1.48	72.21
II. Accumulated depreciation										
Balance as at March 31, 2022	7.05	27.53	1.44	1.29	10.54	0.43	0.93	1.18	1.16	51.55
Depreciation expense for the year	0.31	1.82	0.02	0.10	0.21	0.07	0.04	0.14	0.20	2.92
Eliminated on disposal of assets	—	0.19	—	0.07	—	0.03	0.04	0.05	0.25	0.63
Balance as at March 31, 2023	7.36	29.16	1.46	1.32	10.75	0.47	0.93	1.26	1.11	53.84
III. Net carrying amount (I-II)	2.62	13.21	0.20	0.66	0.57	0.20	0.16	0.39	0.37	18.37

Description of Assets	Rs. in Crores			
	Lease Hold Land	Buildings	Total	Total
I. Gross Carrying Amount				
Balance as at March 31, 2023	3.05	0.63	3.70	3.70
Additions	—	0.41	0.41	0.41
Disposals	—	—	—	—
Balance as at March 31, 2024	3.05	1.04	4.11	4.11
II. Accumulated depreciation				
Balance as at March 31, 2023	0.17	0.48	0.67	0.67
Depreciation expense for the year	0.04	0.10	0.14	0.14
Disposals	—	—	—	—
Balance as at March 31, 2024	0.21	0.58	0.81	0.81
III. Net carrying amount (I-II)	2.84	0.46	3.31	3.31
I. Gross Carrying Amount				
Balance as at March 31, 2022	3.05	0.48	3.54	3.54
Additions	—	0.15	0.16	0.16
Disposals	—	—	—	—
Balance as at March 31, 2023	3.05	0.63	3.70	3.70
II. Accumulated depreciation				
Balance as at March 31, 2022	0.13	0.48	0.61	0.61
Depreciation expense for the year	0.04	—	0.06	0.06
Disposals	—	—	—	—
Balance as at March 31, 2023	0.17	0.48	0.67	0.67
III. Net carrying amount (I-II)	2.88	0.15	3.03	3.03

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 2C - CAPITAL WORK-IN-PROGRESS

	Rs. in Crores	
CWIP Movement	31st March 2024	31st March 2023
Opening Balance	0.10	0.05
– Additions	2.54	1.56
– Capitalised & Transferred to Property, Plant & Equipments during the year	2.55	1.51
Closing balance	0.09	0.10

Capital work in progress (CWIP) Ageing Schedule for the year ended 31st March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.09	–	–	–	0.09
Project Name					
1. Vision System for Drip Line Hole Inspection	0.06	–	–	–	0.06
2. IM-16 from iCON LNC controller	0.03	–	–	–	0.03

Capital work in progress (CWIP) Ageing Schedule for the year ended 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.10	–	–	–	0.10
Project Name					
1. Servo Perforation Unit	0.10	–	–	–	0.10

Note: For Intangible Asset under development & CWIP, there are no such projects whose completion is overdue or exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 3 - OTHER INTANGIBLE ASSETS

Description of Assets	Rs. in Crores	
	Computer Software	Total
I. Gross Carrying Amount		
Balance as at March 31, 2023	2.54	2.54
Additions	—	—
Disposals	—	—
Balance as at March 31, 2024	2.54	2.54
II. Accumulated amortisation		
Balance as at March 31, 2023	2.27	2.27
Amortisation expense for the year	0.13	0.13
Eliminated on disposal of assets	—	—
Balance as at March 31, 2024	2.40	2.40
III. Net carrying amount (I-II)	0.14	0.14
I. Gross Carrying Amount		
Balance as at March 31, 2022	2.28	2.28
Additions	0.26	0.26
Disposals	—	—
Balance as at March 31, 2023	2.54	2.54
II. Accumulated amortisation		
Balance as at March 31, 2022	2.15	2.15
Amortisation expense for the year	0.12	0.12
Eliminated on disposal of assets	—	—
Balance as at March 31, 2023	2.27	2.27
III. Net carrying amount (I-II)	0.27	0.27

NOTE NO. 3A - INTANGIBLE ASSET UNDER DEVELOPMENT

Intangible asset under development Movement	Rs. in Crores	
	31st March 2024	31st March 2023
Opening Balance	—	0.16
– Additions	—	0.10
– Capitalised & Transferred to Property, Plant & Equipments during the year	—	0.26
Closing balance	—	—

Intangible assets under development for the year ended 31st March 2024

Intangible assets under development	Amount in Intangible assets under development for a period of					
	Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress						
None	—	—	—	—	—	—

Intangible assets under development for the year ended 31st March 2023

Intangible assets under development	Amount in Intangible assets under development for a period of					
	Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress						
None	—	—	—	—	—	—

Note: For Intangible Asset under development & CWIP, there are no such projects whose completion is overdue or exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 4 - INVESTMENTS ACCOUNTED USING EQUITY METHOD

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments (fully paid-up)		
Unquoted		
In Joint Venture company - Mahindra Top Greenhouses Private Limited* (March 24 - 18,00,000 shares of Rs. 10 each), (March 23 - 18,00,000 shares of Rs. 10 each)	—	0.48
Total	—	0.48

*Refer Note No. 34

Note for Impairment:

The Board of Directors of Mahindra Top Greenhouses Private Limited (Joint Venture Company) have taken a decision to discontinue the business operations of the joint venture, the going concern assumption is not appropriate for the preparation of financial statements of the MTGPL as at and for the year ended 31 March 2024. Accordingly, the financial statements of MTGPL have been prepared on a liquidation basis i.e. assets are measured at lower of carrying amount and estimated net realisable values and liabilities are stated at their estimated settlement amounts in the financial statements.

NOTE NO. 5 - TRADE RECEIVABLES

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Unsecured, considered good	145.35	3.75	122.81	20.29
Trade Receivables which have significant increase in credit risk	9.74	0.41	1.26	1.43
Trade Receivables - credit impaired	26.78	1.42	7.45	2.70
	181.88	5.58	131.52	24.42
Less: Expected credit loss	(36.53)	(1.83)	(17.77)	(10.31)
Total	145.35	3.75	113.74	14.11

Refer Note 24 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

The company applies the simplified approach to provide for expected credit losses prescribed by IND AS 109, which permits the use of the lifetime expected credit loss provision for all trade receivables. The company has expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer Note 29 for disclosures relating to receivables from related parties.

Trade receivables are hypothecated against the working capital facilities provided by the bank.

Refer Note 5A for trade receivables ageing schedule.

When the impairment is calculated under the simplified approach for trade receivables, an entity is not required to separately track changes in credit risk of trade receivables as the impairment amount represents “lifetime” expected credit loss. Accordingly, the disclosure of trade receivables in the manner as required by Schedule III for significant increase in credit risk is not required except when a company has a trade receivable for which credit risk is assessed individually. Further, the disclosure of ‘trade receivables – credit impaired’ will be made if such trade receivables meet the definition of ‘credit impaired’ as per Ind AS 109.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**NOTE NO. 5A - TRADE RECEIVABLES AGEING SCHEDULE UNDER NON-CURRENT ASSETS AND CURRENT ASSETS AS ON 31ST MARCH 2024**

Trade Receivables ageing schedule under Non-current assets as on 31st March 2024

Rs. in Crores

Outstanding for following periods from due date of payment.							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	0.10	0.74	0.66	–	0.31	1.82
ii	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	0.41	–	–	0.41
iii	Undisputed Trade Receivables – credit impaired	–	–	–	–	1.42	1.42
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	–	–
	Total	0.10	0.74	1.07	–	1.73	3.65
Less: Expected credit loss							(1.83)
Add: Unbilled							–
Add: Not Due							1.93
Net outstanding for following periods from due date of payment							3.75

Trade Receivables ageing schedule under Current assets as on 31st March 2024

Rs. in Crores

Outstanding for following periods from due date of payment.							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	67.21	37.29	28.38	5.96	0.19	139.03
ii	Undisputed Trade Receivables – which have significant increase in credit risk	0.06	0.00	1.38	2.18	6.13	9.74
iii	Undisputed Trade Receivables – credit impaired	–	–	0.22	1.25	22.70	24.17
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	2.60	2.60
	Total	67.27	37.29	29.98	9.38	31.62	175.54
Less: Expected credit loss							(36.53)
Add: Unbilled							5.86
Add: Not Due							0.48
Net outstanding for following periods from due date of payment							145.35

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Trade Receivables ageing schedule under Non-current assets as on 31st March 2023

Rs. in Crores

Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	10.94	2.26	2.82	2.91	0.03	18.96
ii	Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
iii	Undisputed Trade Receivables – credit impaired	—	—	—	—	—	—
iv	Disputed Trade receivables – considered good	—	—	—	—	—	—
v	Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	0.07	1.36	1.43
vi	Disputed Trade Receivables – credit impaired	—	—	—	—	2.70	2.70
	Total	10.94	2.26	2.82	2.98	4.09	23.09
Less: Expected credit loss							(10.31)
Add: Unbilled							—
Add: Not Due							1.33
Net outstanding for following periods from due date of payment							14.11

Trade Receivables ageing schedule under Current assets as on 31st March 2023

Rs. in Crores

Outstanding for following periods from due date of payment							
Sr. No.	Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	63.55	13.80	15.78	19.37	6.41	118.91
ii	Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
iii	Undisputed Trade Receivables – credit impaired	—	—	—	—	—	—
iv	Disputed Trade receivables – considered good	—	—	—	—	—	—
v	Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	1.26	1.26
vi	Disputed Trade Receivables – credit impaired	—	—	—	—	7.45	7.45
	Total	63.55	13.80	15.78	19.37	15.12	127.62
Less: Expected credit loss							(17.77)
Add: Unbilled							3.90
Add: Not Due							—
Net outstanding for following periods from due date of payment							113.74

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)
NOTE NO. 6 - OTHER FINANCIAL ASSETS

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Carried at amortised cost:				
Security deposits	0.73	0.88	0.55	0.73
Earmarked balances with banks	—	0.65	—	—
Balances with Banks - on margin accounts	—	0.05	—	—
Insurance and Other claims	—	—	0.01	—
Balance with Gratuity Fund (LIC)	—	—	0.53	—
Total	0.73	1.58	1.09	0.73

NOTE NO. 7 - CURRENT TAX AND DEFERRED TAX**(a) Income Tax recognised in profit or loss**

Particulars	Rs. in Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax:		
In respect of current year	—	—
In respect of prior years	0.04	0.12
Others		
Deferred Tax:		
In respect of current year	0.72	(3.84)
In respect of prior years	—	—
Total income tax expense recognised in the current year	0.76	(3.72)

(b) Income tax recognised in other Comprehensive income (OCI)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred Tax		
Remeasurement of defined benefit obligations	0.19	0.39
	0.19	0.39
Income taxes related to items that will not be reclassified to profit or loss	(0.05)	(0.10)
Total	0.14	0.29

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(loss) before tax	2.43	(16.03)
Income tax expense calculated at 25.17% (2023: 25.17%)	0.61	(4.03)
Effect of expense that is non-deductible in determining taxable profit	0.09	0.38
Others	0.01	(0.18)
	0.72	(3.84)
Adjustments recognised in the current year in relation to the current tax of prior years	0.04	0.12
Income tax expense recognised In profit or loss	0.76	(3.72)

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

The tax rate used for the March 31, 2024 and March 31, 2023 reconciliations above is the corporate tax rate of 25.17% on taxable profits under Indian Income Tax Act, 1961.

(d) Movement in deferred tax assets/(Liabilities) for the year ended March 31, 2024 Rs. in Crores

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	1.91	(0.27)	—	1.65
	1.91	(0.27)	—	1.65
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.60	(0.05)	(0.05)	0.51
Provision for receivables and advances	7.19	2.59	—	9.77
Deferred tax asset on loss	3.60	(3.40)	—	0.20
Other items (TDS on Commission disallowed & EPCG Interest-Payment Basis)	2.55	(0.14)	—	2.41
	13.94	(1.00)	(0.05)	12.90
Net Deferred Tax Asset/(Liabilities)	12.03	(0.73)	(0.05)	11.25
Total	12.03	(0.73)	(0.05)	11.25

(e) Movement in deferred tax assets / (Liabilities) for the year ended March 31, 2023

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	2.07	(0.16)	—	1.91
	2.07	(0.16)	—	1.91
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.69	0.02	(0.10)	0.60
Provision for receivables and advances	5.11	2.08	—	7.19
Deferred tax asset on loss	2.12	1.48	—	3.60
Other items (TDS on Commission disallowed & EPCG Interest-Payment Basis)	2.44	0.11	—	2.55
	10.36	3.68	(0.10)	13.94
Net Deferred Tax Asset/(Liabilities)	8.28	3.84	(0.10)	12.03
Total	8.28	3.84	(0.10)	12.03

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**NOTE NO. 8 - OTHER NON FINANCIAL ASSETS**

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
(a) Prepayments	0.34	0.07	0.26	0.07
(b) Balances with government authorities	14.00	0.14	23.29	1.88
(i) VAT credit receivable	—	0.14	—	0.21
(ii) GST credit receivable	14.00	—	23.29	—
(iii) Excise Refund Claim	—	—	—	1.67
(c) Contract Assets	2.83	—	6.84	—
(d) Others	—	—	—	—
(i) Capital advances	—	0.41	—	0.34
(ii) Advance to Creditors	—	—	—	—
Considered Good	3.04	—	3.86	—
Doubtful	—	0.50	—	0.49
Less : Provision for Doubtful advances	—	(0.50)	—	(0.49)
	3.04	—	3.86	—
(iii) Advances to employees	—	—	—	—
Considered Good	—	—	0.07	—
Doubtful	0.25	—	0.25	—
Less : Provision for Doubtful advances	(0.25)	—	(0.25)	—
	—	—	0.07	—
(iv) Balance with LIC (Gratuity)	0.82	—	—	—
Total	21.02	0.61	34.32	2.29

NOTE NO. 9 - INVENTORIES

[Lower of cost and net realisable value]

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Raw materials and components	24.19	19.31
(b) Work-in-progress	4.92	4.23
(c) Finished goods	14.81	16.44
(d) Stock-in-trade of goods acquired for trading	0.54	0.24
Total	44.46	40.22

All inventories are pledged as security for credit facilities from banks.

Mode of valuation of inventories is stated in Note 1(J).

Out of the above, Rs. 6.92 crores are lying with third parties (year ended March 31, 2023 Rs. 3.34 crores).

The amount of goods in transit as on March 31 2024 is of Rs. 0.49 crores. (As on March 31, 2023 Rs. nil crores).

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

The amount of inventories recognised as an expense is Rs. 139.31 crores (for the year ended 31 March 2023 Rs. 126.42 crores) including Rs. 0.10 crores (for the year ended 31 March 2023 Rs. 0.47 crores) in respect of write down of inventories to net realisable value, and has been reduced by Rs. 0.21 crores (for the year ended 31 March 2023 - Rs. 0.28 crores) in respect of reversal of such write downs. Reversal in provision is due to sale and/or consumption of inventories provided for in earlier years.

NOTE NO. 10 - CASH AND BANK BALANCES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks - Current and Cash Credit Accounts	0.20	2.75
Cash on hand	—	—
Cheques in hand	—	1.67
Total Cash and cash equivalents	0.20	4.42
Other Bank Balances		
Earmarked balances with banks	1.17	1.58
Balances with Banks - on margin accounts	0.73	0.97
Interest accrued on deposits	0.18	0.05
Total Other Bank Balances	2.08	2.61

NOTE NO. 11 A - EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. in Crores	No. of shares	Rs. in Crores
Authorised				
Equity shares of Rs. 10 each	32,000,000	32.00	32,000,000	32.00
Preference share of Rs. 100 each	1,800,000	18.00	1,800,000	18.00
Issued				
Equity shares of Rs. 10 each	27,916,708	27.92	27,891,504	27.89
Subscribed and fully paid up				
Equity shares of Rs. 10 each	27,912,808	27.91	27,887,604	27.89
Forfeited shares (Amount originally paid up)*	3,900	—	3,900	—
Total	27,916,708	27.91	27,891,504	27.89

Fully paid equity shares, which have a per value of Rs. 10, carry one vote per share and carry a right to dividends.

* Amount is below rounding off norm

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars		Rs. in Crores		
		Opening Balance	Issued during the year under ESOP Scheme	Closing Balance
Equity share- Issued, Subscribed and Paid-up:				
March 31, 2024	No. of Shares	27,887,604	25,204	27,912,808
	Amount	27.89	0.02	27.91
March 31, 2023	No. of Shares	27,839,475	48,129	27,887,604
	Amount	27.84	0.05	27.89

Rights, preferences and restrictions attached to equity shares

The Company is having only one class of equity shares having par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by the holding company

Particulars	As at March 31, 2024	As at March 31, 2023
Mahindra and Mahindra Ltd, the Holding Company	15,144,433	15,144,433

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Mahindra and Mahindra Limited	15,144,433	54.26%	15,144,433	54.31%

(iv) Shares reserved for issuance as follows: (Refer Note No. 20)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount of Shares	No. of shares	Amount of Shares
Outstanding employee stock options available for grant.	270,639	2,706,390	295,843	2,958,430

(v) Details of shares held by promoter at the end of the year:

Name of promoter	No. of shares		Amount of Shares	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mahindra and Mahindra Limited	15,144,433	54.26%	15,144,433	54.31%
% Change during the year		0.00%		0.00%

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 11 B - OTHER EQUITY

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Capital Reserve	0.40	0.40
Securities Premium	95.14	94.86
General Reserve	4.25	4.25
Share based payments (ESOP)	0.44	0.68
Retained Earnings	37.13	35.32
Total	137.37	135.52

Nature of Reserves

- Capital Reserve** - Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.
- Securities Premium** - Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provision of the Companies Act, 2013.
- General Reserve** - The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
- Share based payments (ESOP)** - The Employee Stock Options Outstanding represents reserve in respect of equity settled share options granted to the company's employees in pursuance of the Employee Stock Option Plan.
- Retained earnings:** - Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

Details of Dividend Proposed

Particulars	Rs. in Crores	
	2024	2023
Dividend per share (Rupees)	-	-
Dividend on Equity Shares	-	-
Total Dividend	-	-

NOTE NO. 12 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Carried at Amortised Cost:		
Interest payables to vendors/others	-	1.77
Unclaimed Dividend *	0.20	0.21
Security Deposits	5.31	5.06
Employee benefits payable	3.16	3.21
Others **	0.76	1.02
Total	9.43	11.27

Notes:

* There are no amounts due for transfer to Investor Education and Protection Fund.

** Others include payable for capital assets and GGRC farmers share payable.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)
NOTE NO. 13 - SHORT TERM BORROWINGS

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Secured (Carried at Amortised Cost):		
Secured Borrowings - at amortised cost		
Loans repayable on demand from Bank	15.42	15.00
Total	15.42	15.00

Reconciliation of movement in borrowings to cash flows from financing activities as per Ind AS-7

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Opening Balance		
– Short term borrowings	15.00	25.19
Cash flow movements		
– Net increase/(decrease) in Loans repayable on demand and cash credit	0.42	(10.19)
Non-cash movements	–	–
Closing Balance		
– Short term borrowings	15.42	15.00

Borrowing Note:

- i. Company have filed quarterly returns/statement with Banks and same are in agreement with the books of accounts. There are no material discrepancies found.
- ii. Working capital facilities are secured by hypothecation of Inventory & Trade receivable.
- iii. The Company has availed working capital facilities from Banks aggregating to Rs. 15.42 Crores with the interest rates which are linked to Repo rate with spread ranging from 0% p.a. to 2% p.a.

NOTE NO. 14 - PROVISIONS

Particulars	Rs. in Crores			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
a. Provision for employee benefits				
Compensated absences	1.98	–	2.08	–
b. Other Provisions				
Warranty	0.18	0.48	0.19	0.42
Total	2.16	0.48	2.27	0.42

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Details of movement in Warranty Provisions is as follows:

Particulars	Rs. in Crores
Balance at March 31, 2022	1.42
Additional provisions recognised	0.34
Amounts used during the year	(0.19)
Unused amounts reversed during the year	(0.97)
Unwinding of discount	0.02
Balance at March 31, 2023	0.61
Additional provisions recognised	0.22
Amounts used during the year	(0.20)
Unused amounts reversed during the year	—
Unwinding of discount	0.03
Balance at March 31, 2024	0.66

Warranty Claims:

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The products are generally covered under a free warranty period ranging from 6 months to 5 years. It is expected that most of these costs will be incurred in the next two financial years and all will have been incurred within five years after the reporting date.

NOTE NO. 15 - TRADE PAYABLES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Current		
a) total outstanding dues of micro and small enterprises	3.31	3.67
b) total outstanding dues of creditors other than micro and small enterprises	58.02	53.05
Total	61.33	56.72

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as below:

(a) Dues remaining unpaid as at 31st March 2024		
Principal	3.31	3.67
Interest on the above	—	—
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year		
Principal paid beyond the appointed date	—	—
Interest paid in terms of Section 16 of the Act	—	—
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	—	—

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	—	—
(e) Amount of interest accrued and remaining unpaid as at March 31	—	—

Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Interest is charged on the over due balances as per terms agreed with vendors.

Refer Note 29 for disclosures relating to receivables from related parties.

NOTE NO. 15A - TRADE PAYABLES AGEING SCHEDULE

Ageing for trade payable outstanding as at March 31, 2024 is as follows: Rs. in Crores

Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i)	MSME	3.31	—	—	—	3.31
(ii)	Others	12.10	0.56	0.10	0.81	13.57
(iii)	Disputed dues - MSME	—	—	—	—	—
(iv)	Disputed dues - Others	—	—	—	—	—
	Total	15.41	0.56	0.10	0.81	16.88
	Unbilled dues (Accrued expenses)					44.45
	Total Trade Payable					61.33

Ageing for trade payable outstanding as at March 31, 2023 is as follows: Rs. in Crores

Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i)	MSME	3.67	—	—	—	3.67
(ii)	Others	22.63	5.32	6.34	11.40	45.69
(iii)	Disputed dues - MSME	—	—	—	—	—
(iv)	Disputed dues - Others	—	—	—	—	—
	Total	26.30	5.32	6.34	11.40	49.36
	Unbilled dues (Accrued expenses)					7.36
	Total Trade Payable					56.72

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 16 - OTHER CURRENT LIABILITIES

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Advance from customer (Contract liability)	1.77	1.58
(b) Others		
i) Statutory dues		
- taxes payable (other than income taxes)	0.66	1.70
- Employee Recoveries and Employer Contributions	0.08	0.07
- Customs Duty Payable	—	0.59
Total	2.51	3.94

Changes in contract liability are as follows:

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1.58	1.09
Add		
- Addition during the year	1.77	1.58
Less		
- Reclass of opening balances of contract liability to revenue	1.58	1.09
Balance at the end of the year	1.77	1.58

NOTE NO. 17 - REVENUE FROM OPERATIONS

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
From contract with customers for goods & services		
(a) Revenue from Sale of Products	261.69	209.46
(b) Revenue from Sale of Services	0.64	0.64
(c) Other operating revenue	0.12	0.27
Total	262.45	210.37

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Sale of products comprises		
<u>Manufactured goods</u>	261.69	209.46
Total - Sale of manufactured goods	261.69	209.46
Total - Sale of products	261.69	209.46
(ii) Sale of services comprises		
Installation Services	0.64	0.64
Total - Sale of services	0.64	0.64
(iii) Other operating revenues comprise:		
Sale of scrap	0.12	0.27
Total - Other operating revenues	0.12	0.27

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customer as per the contract price	269.01	223.57
Adjustments made to contract price		
– Trade discounts, volume rebates, return etc	5.72	4.92
– Deferment of revenue	7.68	12.28
– Recognition of revenue out of opening balance of contract	6.84	4.00
Revenue from contract with customer as per the consolidated statement of profit and loss	262.45	210.37

Changes in contract assets are as follows

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	6.84	4.00
– Invoices raised that were included in the contract assets balance at the beginning of the year	(6.84)	(4.00)
– Increase due to revenue recognised during the year, excluding amounts billed during the year	2.83	6.84
Balance at the end of the year	2.83	6.84

Segment information**Geographical Information:**

Particulars	Rs. in Crores			
	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Domestic	Overseas*	Domestic	Overseas*
Revenue from contract with customer	254.18	8.27	210.09	0.28
Total Revenue	254.18	8.27	210.09	0.28

*** Uganda**

The company recognises revenue as per IND AS 115 'Revenue from contracts with customers'.

Accordingly, the Company recognises revenue when it transfers control of a product or service to a customer as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains the control or benefit of the same.

The revenue is recognised on satisfaction of performance obligation / transferring control to the customer and hence the same is recognised at a point in time. The company believes that above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors . The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs 20.09 Crores out of which 100% is expected to be recognised as revenue in the next year . No consideration from contracts with customers is excluded from the amount mentioned above.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 18 - OTHER INCOME

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest Income - On financial assets carried at amortised cost		
1) Bank deposits (at amortised cost)	0.17	0.03
2) Interest on Security Deposit (at amortised cost)	0.02	0.02
(b) Interest on tax refunds	0.04	0.08
(c) Profit on sale of Property, Plant & Equipments*	0.00	—
(d) Liabilities no longer required written back	2.63	2.36
(e) Miscellaneous income	0.20	0.27
Total	3.06	2.76

* Amount is lower than rounding off norm

NOTE NO. 19 (a) - COST OF MATERIALS CONSUMED

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	19.31	20.72
Add: Purchases	142.18	130.41
	161.49	151.13
Less: Closing stock	24.19	19.31
Cost of materials consumed	137.30	131.82

NOTE NO. 19 (b) PURCHASES OF STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Stock-in-trade - Pumps, Greenhouses & Landscape	1.37	0.18
Total	1.37	0.18

NOTE 19 (c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<u>Inventories at the end of the year:</u>		
Finished goods	14.81	16.44
Work-in-progress	4.92	4.23
Stock-in-trade	0.54	0.24
	20.27	20.91
<u>Inventories at the beginning of the year:</u>		
Finished goods	16.44	9.94
Work-in-progress	4.23	4.49
Stock-in-trade	0.24	0.90
	20.91	15.33

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes in inventories		
Finished goods	1.63	(6.50)
Work-in-progress	(0.69)	0.26
Stock-in-trade	(0.30)	0.66
Net (increase)/decrease	0.64	(5.58)

NOTE NO. 20 - EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2024	Rs. in Crores For the year ended March 31, 2023
(a) Salaries and wages, including bonus	27.62	25.69
(b) Contribution to provident and other funds (Refer Note No. 28)	2.07	2.15
(c) Share based payment transactions expenses	0.04	0.01
(d) Staff welfare expenses	1.66	1.32
Total Employee Benefit Expense	31.39	29.17

Pursuant to the "Employees Stock Option Scheme – 2014" (ESOS) approved by the Shareholders in the Annual General Meeting held on July 31, 2014, the Company had granted 80,424, 3,228, 1,33,432, 11,129, 80,110 and 71,459 Stock Options to the eligible employees on October 28, 2014, October 31, 2015, November 22, 2016, November 22, 2017, February 28, 2019 and March 12, 2021 respectively as per the recommendations of the Nomination and Remuneration Committee, at an exercise price of Rs 10/- each. In respect of the options granted in 2014, 2016, 2017, 2019 and 2021 the equity settled options vest in 5 tranches of 20% each upon the expiry of 12 months, 24 months, 36 months, 48 months and 60 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 20% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date. In respect of options granted in 2015, the equity settled options vest in 4 tranches of 25% each upon the expiry of 12 months, 24 months, 36 months and 48 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 25% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date.

The difference between the fair value of the share underlying the options granted on the date of grant of option and the exercise price of the option representing share based payment expenses is expected over the vesting period.

	Number of Shares	Grant Date	Expiry Date	Exercise Price	Fair value at Grant Date
Equity Settled					
1 Series 1 Granted on October 28, 2014	80,424	October 28, 2014	October 28, 2019	10	170.97
2 Series 2 Granted on October 31, 2015	3,228	October 31, 2015	October 31, 2019	10	170.97
3 Series 3 Granted on November 22, 2016	133,432	November 22, 2016	November 22, 2021	10	131.75
4 Series 4 Granted on November 22, 2017	11,129	November 22, 2017	November 22, 2022	10	169.43
5 Series 5 Granted on February 28, 2019	80,110	February 28, 2019	February 28, 2024	10	83.51
6 Series 6 Granted on March 12, 2021	71,459	March 12, 2021	March 12, 2026	10	144.09

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Movement in Share Options

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Weighted average exercise price	Number of Shares	Weighted average exercise price
1 Outstanding at the beginning of the year	72,137	10	147,280	10
2 Granted during the year	—	10	—	10
3 Exercised during the year	(25,204)	10	(48,129)	10
4 Expired during the year	(8,988)	10	(27,014)	10
5 Outstanding at the end of the year	37,945	10	72,137	10

Options vested but not exercised on 31st March, 2024 - 21,383 options

Share Options Exercised in the Year

Particulars	Year ended 31 March, 2024			Year ended 31 March, 2023		
	Number Exercised	Exercise Date	Share Price at Exercise Date	Number Exercised	Exercise Date	Share Price at Exercise Date
Equity Settled						
1 Series 3 Granted on November 22, 2016	—	—	—	19,916	May 04 2022	102
2 Series 4 Granted on November 22, 2017	1,437	April 28 2023	100.71	1,511	May 04 2022	102
3 Series 5 Granted on February 28, 2019	13,569	April 28 2023	100.71	16,504	May 04 2022	102
4 Series 6 Granted on March 12, 2021	10,198	April 28 2023	100.71	10,198	May 04 2022	102

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

Share Option Programmes

Particulars	Series 1		Series 2		Series 3		Series 4		Series 5		Series 6	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Share price at grant date	177.35	177.35	158.30	158.30	138.75	138.75	176.25	176.25	92.90	92.90	157.50	157.50
Exercise price	10	10	10	10	10	10	10	10	10	10	10	10
Expected volatility (weighted-average)	55%	55%	55%	55%	49%	49%	46%	45%	42%	41%	50%	—
	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.0	4.5	4.0	3.5	—
Expected life / Option Life	Years	Years	Years	Years	Years	Years	Years	Years	Years	Years	Years	—
Expected dividends yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.54%	0.54%	0.76%	—
Risk-free interest rate (based on government bonds)	8.06%	8.06%	8.06%	8.06%	6.33%	6.33%	6.94%	6.89%	7.19%	7.13%	5.00%	—

Expected early exercise option is not considered in the assumption at the time of valuation. Hence relevant disclosure is not applicable.

The fair value of the employee share options has been measured using the Black-Scholes option Pricing formula.

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**NOTE NO. 21 - FINANCE COST**

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest expense on financial liabilities measured at amortised cost		
– On credit facilities from Banks	2.30	1.92
– On trade creditors	–	0.09
(b) Interest expense on Lease Rental (Refer Note 26)*	0.02	0.00
(c) Interest expense on delayed payment of taxes	0.32	0.16
(d) Interest expense on other borrowing cost		
Processing fees/Guarantee Commission	0.04	0.03
Unwinding of discount on provisions	0.03	0.02
Total finance costs	2.71	2.22

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses		
On Financial Liability at Amortised Cost	2.30	2.01

* Amount is lower than rounding off norm

NOTE NO. 22 - OTHER EXPENSES

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores consumed	1.00	0.76
Power & fuel	4.75	4.18
Rent including lease rentals	2.78	2.24
Rates and taxes	0.82	1.29
Insurance	0.24	0.23
Repairs and maintenance - machinery	0.86	0.67
Repairs and maintenance - others	0.54	0.41
Commission on sales	17.17	13.01
Freight Outward	8.63	6.19
Travelling and conveyance expenses	4.57	4.24
Subcontracting, hire and service charges	11.05	7.64
Expenditure on corporate social responsibility (CSR) (Refer Note 22A)	–	0.31
Expected Credit Loss	10.27	8.26
Net loss on foreign currency transactions	0.33	0.05

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	0.20	0.19
(ii) For Other Services	0.20	0.18
(iii) For Cost Auditors for Cost audit	—	0.01
(iv) For Reimbursement of Expenses	0.02	0.06
Legal and other professional costs	2.90	2.22
Site expenses	13.93	10.98
Provision for warranty	0.22	0.34
Loss on sale/written off assets	—	0.08
Directors' fees and commission	0.13	0.07
Other general expenses	5.43	4.38
Total other expenses	86.04	67.99

NOTE NO. 23 - EARNINGS PER SHARE

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) for the year for basic and diluted EPS (Rs. in Crores)	1.67	(12.31)
Weighted average number of Equity shares used in computing basic EPS	27,910,944	27,887,604
Effect of potential Equity share on employee stock options	34,714	65,044
Weighted average number of equity shares used in computing of diluted EPS	27,945,658	27,952,648
Basic Earnings per share (Rs.) (Face value of Rs.10 per share)	0.60	(4.41)
Diluted Earnings per share (Rs.) (Face value of Rs.10 per share)	0.60	(4.41)

NOTE NO. 24 - FINANCIAL INSTRUMENTS

I Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Net Debt and Equity is given in the table below :

Particulars	Rs. in Crores	
	31-Mar-24	31-Mar-23
Total Shareholders' Equity as reported in Balance Sheet	165.28	163.41
Net Debts		
- Short term debt	15.42	15.00
Gross Debt	15.42	15.00

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	31-Mar-24	31-Mar-23
Less:		
- Cash and cash equivalents	0.20	4.42
Net Debts	15.22	10.58
Total Capital deployed	180.50	173.99

II Categories of financial assets and financial liabilities

As at March 31, 2024

Particulars	Rs. in Crores			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Trade Receivables	3.75	—	—	3.75
Other Financial Assets	1.58	—	—	1.58
Current Assets				
Trade Receivables	145.35	—	—	145.35
Cash and Cash Equivalents	0.20	—	—	0.20
Other Bank Balances	2.08	—	—	2.08
Other Financial Assets	0.73	—	—	0.73
Current Liabilities				
Borrowings	15.42	—	—	15.42
Trade Payables	61.33	—	—	61.33
Other Financial Liabilities	9.43	—	—	9.43

As at March 31, 2023

Particulars	Rs. in Crores			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Trade Receivables	14.11	—	—	14.11
Other Financial Assets	0.73	—	—	0.73
Current Assets				
Trade Receivables	113.74	—	—	113.74
Cash and Cash Equivalents	4.42	—	—	4.42
Other Bank Balances	2.61	—	—	2.61
Other Financial Assets	1.09	—	—	1.09
Current Liabilities				
Borrowings	15.00	—	—	15.00
Trade Payables	56.71	—	—	56.71
Other Financial Liabilities	11.27	—	—	11.27

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Financial Risk Management Framework

The Company’s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk management

Definition of default

The financial services business considers a financial asset to be in “default” and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The company has dealings with government organisation for subsidy related transaction and with private parties. For private non government parties credit limits are set quarterly. The Company has adopted a policy of only dealing with creditworthy non government parties and obtaining security cheques, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company’s exposure and credit worthiness of such parties are continuously monitored and controlled by counterparty limits that are reviewed by Credit Control function based on the approved process.

No interest is charged on overdue balance.

Trade receivables consist of a large number of customers, spread across geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable. There are no non government customers who represent more than 5% of the total balance of trade receivable.

The Company applies the simplified approach to provide expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

The loss allowance provision is determined as follows:

As at March 31, 2024

Rs. in Crores

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	18.45%	28.57%	
Gross carrying amount	2.41	164.08	4.97	171.46
Loss allowance provision	—	30.28	1.42	31.70
Non Project				
Expected loss rate	0.00%	40.61%	67.21%	
Gross carrying amount	—	15.39	0.61	16.00
Loss allowance provision	—	6.25	0.41	6.66
Contract Assets	2.83	—	—	2.83

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

As at March 31, 2023

Rs. in Crores

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	12.71%	36.80%	
Gross carrying amount	1.79	106.82	18.81	127.43
Loss allowance provision	—	13.58	6.92	20.50
Non Project				
Expected loss rate	—	18.31%	60.37%	
Gross carrying amount	—	22.90	5.61	28.51
Loss allowance provision	—	4.19	3.39	7.58
Contract Assets	6.84	—	—	6.84

Reconciliation of loss allowance provision for Trade Receivables

Particulars	Rs. in Crores	
	31-Mar-24	31-Mar-23
Balance as at beginning of the year	28.08	19.82
Impairment losses recognised in the year based on lifetime expected credit loss		
– On receivables originated in the year	10.27	8.26
– Amounts written off during the year as uncollectible	—	—
– Amounts Recovered during the year	—	—
Balance at end of the year	38.36	28.08

The loss allowance provision has changed during the year due to recovery from debtors and business circumstances.

During the year, the company has written off Rs. NIL, (March 31, 2023 - Nil) of trade receivables.

Cash & Cash equivalents

The Company held cash and cash equivalents with credit worthy banks of Rs. 0.20 Crores as at 31 March 2024 (Rs 4.42 Crores as at 31 March 2023) and fixed deposits of Rs. 2.08 Crores as at 31 March 2024 (Rs 2.61 Crores as at 31 March 2023).

LIQUIDITY RISK**(i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short - medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Rs. in Crores				
	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities					
March 31, 2024					
Non-interest bearing	71.24	70.92	0.32	—	—
Interest bearing	15.42	15.42	—	—	—
Total	86.65	86.34	0.32	—	—
March 31, 2023					
Non-interest bearing	68.04	68.04	—	—	—
Interest bearing	15.00	15.00	—	—	—
Total	83.04	83.04	—	—	—

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rs. in Crores				
	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets					
March 31, 2024					
Non-interest bearing	151.13	146.43	4.69	—	—
Fixed interest rate instruments	2.56	1.22	0.71	—	0.64
Total	153.69	147.65	5.40	—	0.64
March 31, 2023					
Non-interest bearing	134.01	119.25	14.27	—	0.48
Fixed interest rate instruments	3.17	2.61	—	—	0.57
Total	137.18	121.86	14.27	—	1.05

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. As at the year end, there were no material foreign currency exposure.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**Exposure to currency risk**

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as below:

Exposure to foreign currency liabilities	Rs. in Crores			
	Trade receivables		Trade payables	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
USD	0.00	0.00	—	—
INR	0.09	0.22	—	—
SGD	—	—	0.00	—
INR	—	—	0.01	—
CHF	—	—	—	(0.00)
INR	—	—	—	(0.01)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

Exposure to interest rate

The Company's main interest rate risk arises from short term borrowings with variable interest rate and fixed interest rate carrying investments like fixed deposits with banks, which exposes the Company to cash flow interest rate risk.

Particulars	Rs. in Crores	
	31-Mar-24	31-Mar-23
Fixed rate instruments		
Financial assets (bank deposits)	2.56	3.17
Variable rate instruments		
Financial liabilities (Short term borrowings)	15.42	15.00

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis for floating rate liabilities is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole period. A reasonable possible change of 100 basis points (100 bps) in interest rate at the reporting date would have increased / (decreased) profit after tax and equity by the amount shown below:

Particulars	Rs. in Crores			
	Profit or (loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31-Mar-24				
Variable-rate instruments	(0.15)	0.15	(0.11)	0.11
31-Mar-23				
Variable-rate instruments	(0.15)	0.15	(0.11)	0.11

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the MEIL business determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

NOTE NO. 25 - FAIR VALUE MEASUREMENT

The directors consider that the carrying amounts of financial assets and financial liabilities that are not measured at fair value, recognised in the financial statement approximate their fair values.

NOTE NO. 26 - LEASES (REFER NOTE 2B)

In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with remaining lease term of less than 12 months as if they were “short term leases”

The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease

On transition to Ind AS 116, the Company has followed the Modified Retrospective Approach, accordingly recognised right-of-use assets amounting to Rs. 360.55 lakhs, lease liabilities amounting to Rs. 55.21 lakhs as at April 1, 2019. The Company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019, which is 8.50% for measuring the lease liability. In view of this, the operating lease rent which was hitherto accounted under ‘Other expenses’ in previous periods has now been accounted as depreciation and finance costs.

The following is the movement in lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Opening Lease liabilities recognised	0.15	(0.00)
Additions	0.41	0.15
Finance cost accrued during the period*	0.02	0.00
Deletions	—	—
Payment of lease liabilities*	(0.11)	(0.00)
Closing Balance	0.47	0.15

The following is the break-up of current and non-current lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	0.16	0.05
Non-current lease liabilities	0.32	0.10
Closing Balance	0.48	0.15
Carrying Value of Right of use assets (Refer Note 2B)	3.31	3.03

The table below provides details regarding the contractual maturities of lease liabilities

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Less than one year	0.16	0.05
One to Three years	0.32	0.10

Rental expense recorded for short-term leases was Rs. 2.78 Crores (Previous Year: Rs.2.24 Crores) for the year ended 31st March, 2024.

* Amount is lower than rounding off norm

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 27 - SEGMENT INFORMATION

The Company is engaged in the business of Precision Farming Products and Services and in a single geography viz, India. The Information reported to the chief operating decision maker (CODM) [Viz, The Managing Director] for assessment of performance of business and allocation of resources is under this segment.

Accordingly, The Company has identified a single segment under Ind AS 108 -"Operating Segments".

Refer Note 17 for the analysis of revenue from it major products and services.

There is no single customer contributing 10% or more of total revenue.

NOTE NO. 28 - EMPLOYEE BENEFITS

(a) Defined Contribution Plan:

The Company's contribution to Provident Fund Rs. 1.11 Crores (year ended March 31, 2023 : Rs. 1.10 Crores) and Superannuation Fund Rs. 0.42 Crores (year ended March 31, 2023 : Rs. 0.50 Crores) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Through its defined plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets under perform compared to the government bond discount rate, this will create or increase a deficit. The defined benefit plans hold on investment with LIC, which are expected to perform in line with government bonds in the long- term.

The company believes that due to the long-term nature of the plan liabilities, investments of funds with LIC is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan assets.

Life expectancy

The plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

Defined benefit plans - as per actuarial valuation

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
Ia. Expense recognised in the Statement of Profit and Loss		
1. Current service cost	0.30	0.32
2. Interest cost	0.23	0.19
3. Expected return on plan assets	(0.30)	(0.23)
	0.23	0.29

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
Ib. Included in other Comprehensive Income		
1. Return on plan assets	(0.11)	0.03
2. Actuarial (Gain)/Loss on account of:	—	—
– Demographic Assumptions	0.11	0.04
– Financial Assumptions	0.01	(0.17)
– Experience Adjustments	(0.20)	(0.30)
	<u>(0.19)</u>	<u>(0.39)</u>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	(0.11)	0.03
Actuarial gains and loss arising from changes in financial assumptions	0.01	(0.17)
Actuarial gains and loss arising from experience adjustments	(0.20)	(0.30)
Others (describe)	—	—
– Demographic Assumptions	0.11	0.04
Actuarial gains and loss arising from components of defined benefit costs recognised in other comprehensive income	<u>(0.19)</u>	<u>(0.39)</u>
Total	<u>0.04</u>	<u>(0.10)</u>
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	3.75	3.62
2. Fair value of plan assets as at 31st March	4.57	4.16
3. Surplus/(Deficit)	0.82	0.53
4. Current portion of the above	—	—
5. Non-current portion of the above	0.82	0.53
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	3.62	3.74
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	—	—
3. Expenses Recognised in Profit and Loss Account		
– Current Service Cost	0.30	0.32
– Interest Cost	0.23	0.19
4. Recognised in Other Comprehensive Income		
Remeasurement gains/(losses)		
– Actuarial Gain (Loss) arising from:	—	—
– Demographic Assumptions	0.11	0.04
– Financial Assumptions	0.01	(0.17)
– Experience Adjustments	(0.20)	(0.30)
5. Benefit payments	<u>(0.32)</u>	<u>(0.21)</u>
6. Present value of defined benefit obligation at the end of the year	<u>3.75</u>	<u>3.62</u>
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	4.16	3.97
2. Adjustment to Opening Fair Value of the Asset	—	—
3. Expenses Recognised in Profit and Loss Account		
– Expected return on plan assets	0.30	0.23
4. Recognised in Other Comprehensive Income		
Remeasurement gains/(losses)		
– Actual Return on plan assets in excess of the expected return	0.11	(0.03)
– Others (specify)	—	—
5. Contributions by employer (including benefit payments recoverable)	—	—
6. Benefit payments	—	—
7. Fair value of plan assets at the end of the year	<u>4.57</u>	<u>4.16</u>

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Particulars	Rs. in Crores	
	Funded Plan	
	Gratuity	
	2024	2023
IV. The Major categories of plan assets		
– Funds Managed By Insurer (LIC of India)	4.57	4.16
V. Actuarial assumptions		
1. Discount rate	6.94%	7.12%
2. Expected rate of return on plan assets	6.00%	6.00%
3. Salary escalation	3.00%	3.00%
4. Mortality Rate disclosure	IALM (2012-14) Ult.	IALM (2012-14) Ult.
5. Attrition rate	28.39%	18.00%

The sensitivity analysis of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Rs. in Crores		
		Changes in assumption	Increase in assumption	Decrease in assumption
Discount rate	2024	1.00%	0.08	0.08
	2023	1.00%	0.11	0.13
Salary growth rate	2024	1.00%	0.06	0.06
	2023	1.00%	0.10	0.10

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

	Rs. in Crores	
Maturity profile of defined benefit obligation:	2024	2023
Within 1 year	1.30	0.86
1 - 2 year	1.04	0.75
2 - 3 year	0.57	0.71
3 - 4 year	0.46	0.42
4 - 5 year	0.32	0.40
5 - 10 year	0.64	1.18

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	Rs. in Crores	
	2024	2023
Weighted average remaining duration of Defined Benefit Obligation (No. of Years)	2.19	3.70

	Rs. in Crores	
	2024	2023
Expected contribution to the plan for next financial year:	1.30	0.86

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 29 - RELATED PARTY DISCLOSURES

Name of the parent Company	Relationship
Mahindra and Mahindra Ltd	Parent Company
Other related parties with whom transaction have been undertaken	
Mahindra Logistics Ltd	Fellow subsidiary
Mahindra HZPC Pvt Ltd	Fellow subsidiary
Mahindra Agri Solutions Ltd	Fellow subsidiary
Mahindra Lifespace Developers Ltd	Fellow subsidiary
Mahindra Integrated Business Solutions Pvt Ltd	Fellow subsidiary
Mahindra and Mahindra Ltd -Swaraj	Fellow subsidiary
Mahindra Summit Agriscience Limited	Fellow subsidiary
Marvel Solren Pvt Ltd	Fellow subsidiary
Mahindra Top Greenhouses Private Limited	Joint Venture
Mr. Ashok Sharma	Key Management Personnel (Managing Director) upto August 31 2023
Mr. Ramesh Ramchandran	Key Management Personnel (Managing Director) w.e.f. September 01 2023
Mr. Abhijit Page	Key Management Personnel (Chief Executive Officer)
Ms. Sunetra Ganesan	Key Management Personnel (Chief Financial Officer)
Mr. Ratnakar Nawghare	Key Management Personnel (Company Secretary)

Details of transaction between the Company and its related parties are disclosed below:

	Rs. in Crores	
Nature of transactions with Related Parties	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods		
Mahindra Top Greenhouses Private Limited	0.01	0.06
Purchase of Goods & Services		
Marvel Solren Pvt Ltd	0.19	0.18
Mahindra Top Greenhouses Private Limited	0.50	—
Purchase of Vehicle		
Mahindra and Mahindra Ltd	0.34	—
Remuneration		
Mr. Ashok Sharma	0.15	0.36
Mr. Ramesh Ramchandran	0.10	—
Mr. Abhijit Page	0.79	0.77
Ms. Sunetra Ganesan	0.69	0.67
Mr. Ratnakar Navghare	0.35	0.31
Management contract fees expenses (Including for deputation of personnel)		
Mahindra Logistics Limited	—	0.03
Management contract fees income (Including for deputation of personnel)		
Mahindra Top Greenhouses Private Limited	0.36	0.71
Business Support Services		
Mahindra and Mahindra Limited	1.03	1.07
Mahindra Farm Equipment Sector	0.09	0.13

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

Rs. in Crores

Nature of transactions with Related Parties	For the year ended March 31, 2024	For the year ended March 31, 2023
Reimbursement of Expenses to		
Mahindra and Mahindra Limited	0.17	0.13
Mahindra Agri Solutions Ltd	0.00	0.01
Reimbursement of Expenses from		
Mahindra Top Greenhouses Private Limited	0.05	0.10
Professional Fees		
Mahindra and Mahindra Limited	0.43	0.25
Mahindra Integrated Business Solutions Pvt Ltd	0.03	0.02

Nature of Balances with Related Parties	As at March 31, 2024	As at March 31, 2023
Trade payables		
Mahindra and Mahindra Limited	0.42	0.49
Mahindra Integrated Business Solutions Pvt Ltd	0.00	0.00
Mahindra Agri Solutions Ltd	0.04	0.07
Marvel Solren Pvt Ltd	0.01	0.02
Mahindra Farm Equipment Sector	—	0.03
Trade Receivables		
Mahindra and Mahindra Limited (AUTO)	0.12	0.29
Mahindra Lifespace Developers Ltd	0.03	0.03
Mahindra Farm Equipment Sector	0.02	—
Mahindra Top Greenhouses Private Limited	—	0.46
Investments		
Investment in Joint Venture - Mahindra Top Greenhouses Private Limited	—	0.48

* Company has incurred Rs. Rs 0.25 Crores (March 31, 2023 Rs.0.36 Crores) for key managerial personnel services provided by Mahindra and Mahindra Limited and Mahindra Agri Solutions Limited.

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	Year ended March 31, 2024						Year ended March 31, 2023					
	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total
Remuneration	—	0.25	0.79	0.69	0.35	2.08	—	0.36	0.77	0.67	0.31	2.11
Fees for attending board committee meetings	0.10	—	—	—	—	0.10	0.07	—	—	—	—	0.07
Commission to independent directors	—	—	—	—	—	—	—	—	—	—	—	—
Post-employment benefits*	—	—	—	—	—	—	—	—	—	—	—	—
Share-based payment	—	—	—	—	—	—	—	—	—	—	—	—

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. Post employment benefits accounted as per actuarial valuation.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

NOTE NO. 30 - CONTINGENT LIABILITIES AND COMMITMENTS

	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Contingent liabilities (to the extent not provided for)		
Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	0.27	0.31
(b) Demands against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal / Department is in appeal		
Excise Duty:	2.32	2.25
(c) Non-current non-financial asset includes refund claim made for excise duty paid under protest consequent upon the judicial pronouncement made by CESTAT in favour of the Company, which was disputed by the department before higher authorities. The Commissioner (Appeals), Central Excise and Customs, Nashik has sanctioned the claim on merit but taking recourse to the principle of "Unjust Enrichment" has ordered the claim to be transferred to the credit of the "Consumer Welfare Fund". The Company had filed an appeal against the order. On hearing the appeal the Hon' CESTAT, Mumbai remanded back the case to the adjudicating authorities to examine the issue afresh. The Adjudicating Authority issued a Show Cause Notice and after personal hearing passed an order rejecting the claim without following the guidelines given by the Hon' CESTAT. The Company had filed an appeal against the order with the Commissioner (Appeals), Central Excise & Customs, Nashik. The order Passed by the Commissioner (Appeals), Central Excise & Customs, Nashik.is similar to order as given in order in appeal. The Company has filed an appeal to CESTAT Mumbai and no hearing has happened thereafter. The Claim is still tenable, no provision has been considered.	—	1.67
(d) Local Sales Tax Bihar – CST Recovery Under appeal FY 13-14	0.09	0.09
(e) Income Tax demand for A.Y. 17-18 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	—	1.68
(f) Income Tax demand for A.Y. 12-13 u/s section 143(3) r.w.s. 147 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	2.99	2.78
(g) Income Tax demand for A.Y. 18-19 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	—	0.60
(h) Income Tax demand for A.Y. 20-21 against the Company, relating to issues of deductibility and taxability in respect of which the company is in appeal.	—	0.04
(i) SGST MH demand order FY 18-19 (Including interest & penalty) issues involved valuation of supply (Second provision related to rule 28 CGST & penalty for non registrationof ISD)	6.83	—
Total	12.51	9.42

Note: In respect of items mentioned above, till the matters are finally decided, the timing of outflows of economic benefits cannot be ascertained.

NOTE NO. 31 - COMMITMENTS

Particulars	Rs. in Crores	
	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of Tangible assets.	0.70	0.05

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)**NOTE NO. 32 - DIVIDEND**

The Board has recommended a dividend of Rs. Nil per equity share (FY 22-23 Rs Nil Per equity share).

NOTE NO. 33 - EVENT OCCURRING AFTER THE REPORTING PERIOD

No material events have occurred between the Balance sheet date and before the approval of financials statements by Board of Directors.

NOTE NO. 34**DISCLOSURE OF INTEREST IN JOINT VENTURE AS PER IND AS 112.**

(a) Details of the Joint Venture at the end of the reporting period are as follows:

Name of the Joint Venture	Place of incorporation & place of operation	Rs. in Crores	
		Proportion of Ownership	
		As at 31 st March	
		2024	2023
Mahindra Top Greenhouses Private Limited (MTGPL)*	Nashik, India.	60%	60%

* MTGPL - Business of Protected Cultivation Technology products

(b) Summarised financial information in respect of the Company's joint venture is set out below:

Particulars	Rs. in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Profit or (loss)	(72.14)	(0.48)
2. Other comprehensive income	—	—
3. Total comprehensive income	(72.14)	(0.48)

NOTE NO. 35**STATEMENT OF NET ASSETS AND PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS AND NON-CONTROLLING INTEREST**

Name of the Company	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
PARENT								
Mahindra EPC Irrigation Limited	100.00%	165.28	139.99%	1.67	100.00%	0.14	135.79%	1.81
Joint Ventures (Investment as per the equity method)								
Mahindra Top Greenhouses Private limited (MTGPL) - 60%	0.00%	-	-39.99%	(0.48)	0.00%	-	(35.79%)	(0.48)
TOTAL	100.00%	165.28	100.00%	1.19	100.00%	0.14	100.00%	1.33

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

ADDITIONAL REGULATORY INFORMATION

NOTE NO. 36A - RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	Consolidated		
			FY 2024	FY 2023	% Change
Debtors Turnover (Days)	Average Debtors	Net Sales	239	305	-21.64%
Inventory Turnover (Times)	COGS	Average Inventory	3.29	3.31	-0.75%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	7.53	0.81	832.84%
Current Ratio (Times)	Total Current Assets	Total Current Liabilities	2.35	2.20	6.77%
Debt Equity Ratio (Times)	Debt	Shareholders Equity	0.09	0.09	1.60%
Net Profit Margin (%)	PAT	Net Sales	0.64%	-5.82%	-110.94%
Return on Equity (%)	PAT	Net Worth	1.02%	-7.23%	-114.06%
Trade Payable Turnover (Days)	Average Trade Payables	Net Purchases	152	166	-8.82%
Return on Capital employed	EBIT	Capital Employed	3.11%	-7.58%	-141.01%
Working Capital Turnover Ratio	Net Sales	Average Working Capital	2.14	1.96	8.83%
Return on Investments	Income generated from invested fund	Average invested funds in treasury investment	7.42%	2.84%	161.76%

Reasons for changes in ratios:

Debt Service Coverage Ratio

Improvement in earnings.

Net Profit Margin, Return on Equity & Return on Capital employed

Improved revenue, lower input costs resulting to improvement in earnings.

Return on Investments

Increase in investments held.

NOTE NO. 36B - ADDITIONAL REGULATORY INFORMATION

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (iv) The Company has neither declared nor paid any dividend during the year.
- (v) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (vi) The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) The company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the consolidated financial statements for the year ended March 31, 2024 (Contd.)

(viii) The Company has reviewed the transactions to identify if there are any transactions with struck off companies. To the extent information is available, there are no such transactions except the list of companies mentioned below:

Sr. No	Name of the struck off company	Nature of Transaction	Transaction during the year/Balance outstanding (Rs. in Crores)	Relationship with the struck off company
1	Allied Agritech Private Limited	Purchase	0.03	Vendor
2	Allied Agritech Private Limited	Payables	0.02	Vendor
3	NRE Plastic Private Limited	Recoverable	0.00	Vendor
4	NRE Plastic Private Limited	Receivables	0.03	Customer
	Total amount		0.08	

NOTE NO. 37 - DISCLOSURE UNDER RULE 11(E) OF THE COMPANIES RULES 2014

No Funds have been advanced, loaned, invested or provided any guarantee, security or the like to or on (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE NO. 38 - CODE OF SOCIAL SECURITY

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTE NO. 39 - APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were approved by the Board of Directors and authorised for issue on April 23, 2024.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Rupen Shah
Partner
Membership no.116240

Place : Nashik
Date : April 23, 2024

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN: 09562621
Place : Nashik

Abhijit Page
Chief Executive Officer
Place : Nashik

R. V. Nawghare
Company Secretary
Place : Nashik

Date : April 23, 2024

Anand Daga
Director
DIN: 696171
Place : Nashik

Sunetra Ganesan
Chief Financial Officer
Place : Nashik

MULCH FILM



Prevents
Soil Erosion



Reduces
Pesticide Usage



Reduces
Water Usage



Reduces
Soil Salinity



Yield Increase



UV stabilized



Reduces
Weed Growth



Density of white roots
increase in effective
red zone





mahindra EPC

Mahindra EPC Irrigation Limited

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