



Mahindra EPC Irrigation Limited

(Formerly known as EPC Industrié Limited)

38th Annual Report

2019-20





MAHINDRA EPC IRRIGATION LIMITED

COMPANY NAME**MAHINDRA EPC IRRIGATION LIMITED**

(Formerly known as EPC Industrié Limited)

BOARD OF DIRECTORS

Shriprakash Shukla – Chairman
Ashok Sharma – Managing Director
S. Durgashankar
Aruna Bhinge
Sangeeta Prasad (Upto 30th June, 2020)
Nikhilesh Panchal
Anand Daga
Dr. Sudhir Kumar Goel

CHIEF EXECUTIVE OFFICER

Abhijit Page

CHIEF FINANCIAL OFFICER

Sunetra Ganesan

COMPANY SECRETARY

Ratnakar Nawghare

AUDITORS

Deloitte Haskins & Sells, Chartered Accountants

BANKERS

YES Bank Ltd.
HDFC Bank Ltd.
CITI Bank N.A.

CORPORATE OFFICE & WORKS

Plot No. H-109, MIDC, Ambad, Nashik-422 010.
Tel: (0253) 2381081/82/83/6642000
Fax: (0253) 2382975
CIN: L25200MH1981PLC025731
E Mail : rvnawghare@mahindrairrigation.com

REGISTERED OFFICE

Plot No. H-109, MIDC, Ambad, Nashik-422 010.
Tel: (0253) 2381081/82/83/6642000
Fax: (0253) 2382975
E Mail : rvnawghare@mahindrairrigation.com

BRANCHES

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

REGISTRARS & TRANSFER AGENTS

Kfin Technologies Private Limited
Karvy Selenium, Tower B,
Plot No. 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad, Telangana-500032
Telephone number : +91 40 2342 0814
E Mail : einward.ris@karvy.com

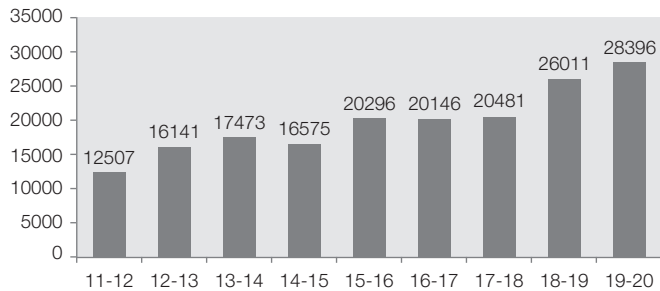
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Financial Highlights

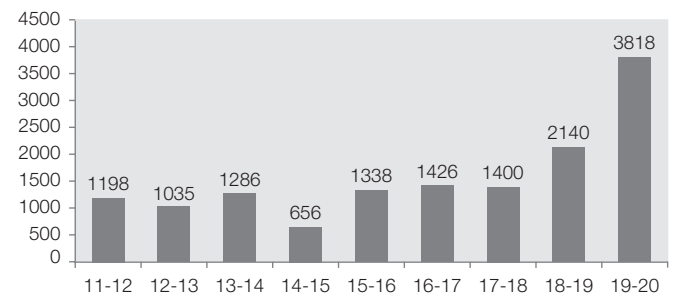
Sales

Rs. in Lakhs



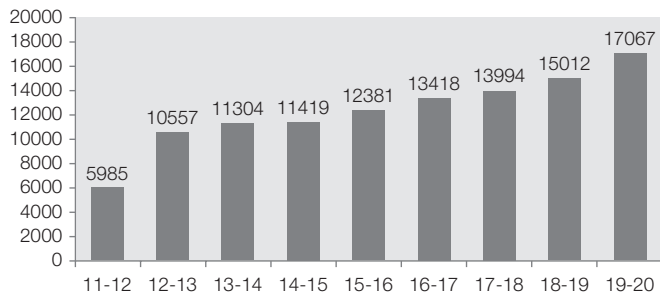
EBIDTA

Rs. in Lakhs



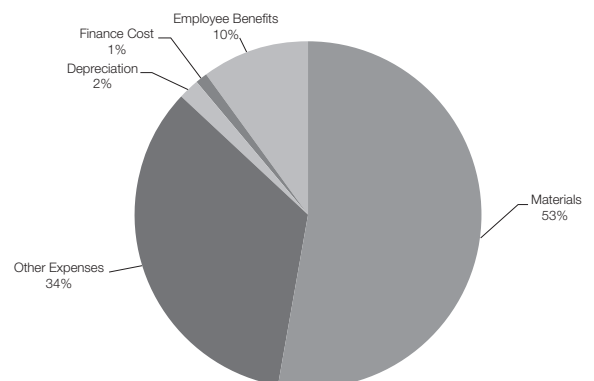
Shareholders' Fund

Rs. in Lakhs



Distribution of Income

In %



Note - Last five years' figures as per IND AS.

Financial Highlights

	Rs. in Lakhs	
	2019-20	2018-19
Sales	28,395.86	26,010.95
Other Income	132.71	105.54
Total Revenue	28,528.57	26,116.49
Profit Before Tax	3,240.00	1,694.07
PBT as a % to Sales	11.4	6.51
Profit After Tax	2,328.65	1,144.39
PAT as % of Sales	8.2	4.38
Earning per Share (Rs.)		
Basic	8.38	4.13
Diluted	8.35	4.11

Working Results at a Glance

	Rs. in Lakhs						
Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Sales	17,472.5	16,575.1	20,295.7	20,146.5	20,480.7	2,6011.0	28,395.86
EBDITA	1,285.7	656.3	1,338.2	1,425.6	1,400.4	2,140.2	3,818.02
Interest	235.3	119.6	46.0	152.9	50.1	139.2	197.91
Depreciation	279.4	269.4	265.5	304.8	313.9	306.9	380.11
Profit Before Tax	771.0	267.3	1,026.7	967.9	1,036.4	1,694.1	3,240.00
Tax	–	88.0	152.2	(22.6)	542.5	549.7	911.35
Profit After Tax	771.0	179.3	874.5	990.5	493.9	1,144.4	2,328.65
Earning per Share (Rs.)	2.79	0.65	3.16	3.58	1.78	4.13	8.38

Note - Last five years' figures as per IND AS.

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of MAHINDRA EPC IRRIGATION LIMITED will be held at the Registered Office of the Company on Monday, 3rd August, 2020 at 3.00 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, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Rs 1.20 (12%) per Equity Share of the nominal value of Rs 10 each for the year ended 31st March, 2020.
3. To appoint a Director in place of Mr. S Durgashankar (DIN: 00044713) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **Appointment of Mr. Shriprakash Shukla 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 and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Shriprakash Shukla (DIN: 00007418), 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 14th May, 2020 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 his 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.”

5. **Re-appointment of Mr. Ashok Sharma as Managing Director and the remuneration payable with effect from 1st October, 2020.**

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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Schedule V of the Act, the applicable provisions of the Articles of Association of the Company, and such other approvals, permissions and sanctions, if and as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Shareholders be and is hereby accorded to the re-appointment of Mr. Ashok Sharma (DIN: 02766679) as the Managing Director of the Company for a period of 3 years with effect from 1st October, 2020 to 30th September, 2023, on a consolidated remuneration of Rs. 24,00,000/- (Rupees Twenty Four Lacs only) per annum, the details of which are given in the Explanatory Statement annexed hereto.

FURTHER RESOLVED THAT where in any financial year during the tenure of the Managing Director of the Company, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director, the above remuneration as the minimum remuneration, for a period of three years from the date of appointment by way of consolidated remuneration as specified above, subject to the receipt of requisite approvals, if any.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and to sign and further to execute all the necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. **Appointment of Dr. Sudhir Kumar Goel as an Independent Director**

To consider and, if thought fit, to pass the following as an Ordinary 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, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Dr. Sudhir Kumar Goel (DIN:02965596), who was appointed as an Additional Director of the Company with effect from 24th July, 2019 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and who qualifies for being appointed as an Independent Director 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, to hold office for a term of three consecutive years commencing from 23rd July, 2019 to 22nd July, 2022.”

7. Appointment of Ms. Aruna Bhinge as an Independent Director

To consider and, if thought fit, to pass the following as an Ordinary 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, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Ms. Aruna Bhinge (DIN:07474950), who was appointed as an Additional Director of the Company with effect from 14th May, 2020 under Section 161 of the Companies Act, 2013 and the Articles of

Association of the Company and who holds office upto the date of this Annual General Meeting, and who qualifies for being appointed as an Independent Director 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 an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of three consecutive years commencing from 14th May, 2020 to 13th May, 2023.”

8. Ratification of Remuneration to Cost Auditors

To consider and, if thought fit, to pass 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 Deodhar Joshi & Associates, Cost Accountants, Nashik appointed as Cost Auditors by the Board of Directors of the Company, for conducting the cost audit of the Company for the Financial Year 2020-21, if applicable, at a remuneration of Rs. 1,60,000/- (Rupees One Lac Sixty Thousand Only) plus Goods and Services Tax and out of pocket expenses be ratified.”

“FURTHER RESOLVED 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. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (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 38th 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. e-AGM: The Company has appointed KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.
 4. 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.**
 5. 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@mahindrainnigation.com.
 6. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin Technologies Private Limited having office at Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
 7. **Attending e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Private Limited.
- Members may access the same at <https://evoting.karvy.com> 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. 18 below. Kindly refer note no. 17 below for detailed instruction for participating in e-AGM through Video Conferencing.
8. 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.
 9. As per the MCA Circular 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 (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.
 10. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record 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.
 11. **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 Private Limited. Kindly refer Note no. 18 below for detailed instructions for remote e-voting.
 12. **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 Private Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note no. 23 below for instructions for e-voting during the AGM.
 13. The Company has fixed Monday, 27th July, 2020 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 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.
 14. The Register of Members and Transfer Book of the Company will be closed from Thursday, 30th July, 2020 to Monday, 3rd August, 2020 (both days inclusive).
 15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the e-AGM along

with the Annual Report for the financial year ended on 31st March, 2020 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.mahindairrigation.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. The same is also available on the website of KFin Technologies Private Limited at the website address <https://evoting.karvy.com/>.

16. 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 Private Limited by sending an e-mail request at the email ID 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 Private Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.

17. 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 Private Limited. Members may access the same at <https://evoting.karvy.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. 18 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 cut-off date.
 - b. Alternatively, shareholders holding shares as on cut-off date may also visit [https:// evoting.karvy.com](https://evoting.karvy.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. Shareholder who wish to register as speakers are requested to visit <https://evoting.karvy.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. 17(vi) above.