



Mahindra EPC Irrigation Limited

(Formerly known as EPC Industrié Limited)



37th ANNUAL REPORT 2018-19



Mahindra EPC receiving trophy at Annual Mahindra Rise Award
for getting Stage-3 in first year of The Mahindra Way (TMW)
Assessment for Business Excellence.



THE MAHINDRA WAY

RISE AWARDS 2018



HAPPY FARMERS THROUGH PRECISION AND
SUSTAINABLE FARMERS SOLUTIONS



COMPANY NAME	MAHINDRA EPC IRRIGATION LIMITED (Formerly known as EPC Industrié Limited)
BOARD OF DIRECTORS	Ashok Sharma – Managing Director S. Durgashankar Sangeeta Prasad Nikhilesh Panchal Anand Daga Vinayak Patil
CHIEF EXECUTIVE OFFICER	Sanjeev Mohoni
CHIEF FINANCIAL OFFICER	Sunetra Ganesan
COMPANY SECRETARY	Ratnakar Nawghare
AUDITORS	Deloitte Haskins & Sells, Chartered Accountants
BANKERS	YES Bank Ltd. HDFC Bank Ltd.
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, Nagpur, Raipur, Vadodara
REGISTRARS & TRANSFER AGENTS	Karvy Fintech 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

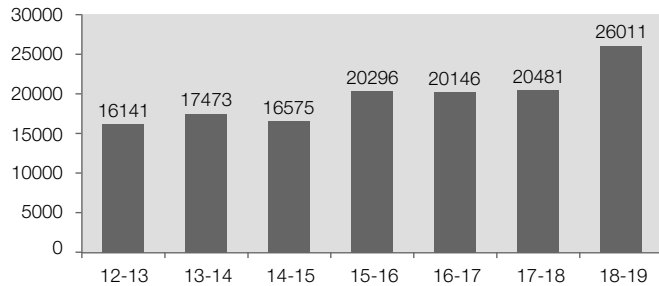
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Financial Highlights

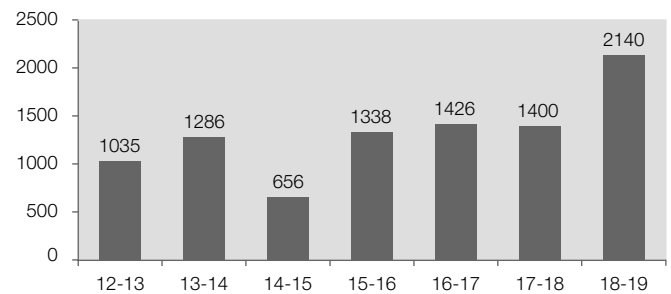
Sales

Rs. in Lakhs



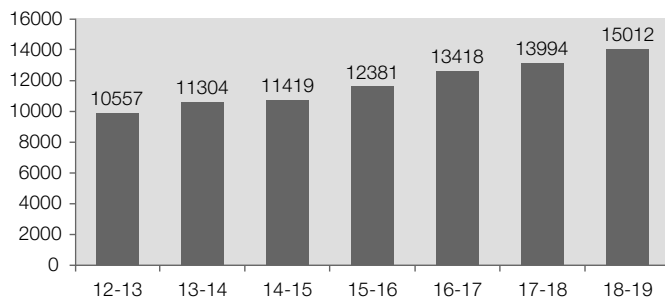
EBIDTA

Rs. in Lakhs



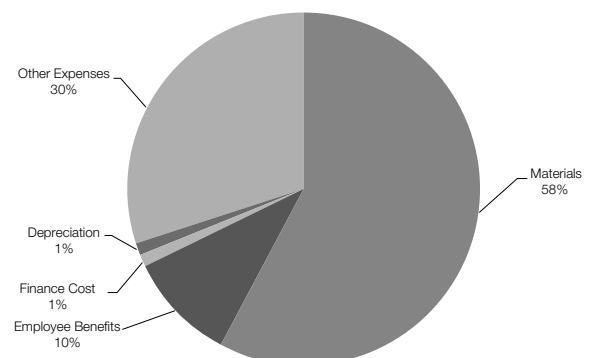
Shareholders' Fund

Rs. in Lakhs



Distribution of Income

In %



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

Financial Highlights

	Rs. in Lakhs	
	2018-19	2017-18
Sales	26,011.0	20,480.7
Other Income	105.5	179.4
Total Revenue	26,116.5	20,660.0
Profit Before Tax	1,694.1	1,036.4
PBT as a % to Sales	6.5	5.1
Profit After Tax	1,144.4	493.9
PAT as % of Sales	4.4	2.4
Earning per Share (Rs.)		
Basic	4.13	1.78
Diluted	4.11	1.77

Working Results at a Glance

	Rs. in Lakhs						
Year	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Sales	26,011.0	20,480.7	20,146.5	20,295.7	16,575.1	17,472.5	16,140.8
EBDITA	2,140.2	1,400.4	1,425.6	1,338.2	656.3	1,285.7	1,035.2
Interest	139.2	50.1	152.9	46.0	119.6	235.3	246.4
Depreciation	306.9	313.9	304.8	265.5	269.4	279.4	254.6
Profit Before Tax	1,694.1	1,036.4	967.9	1,026.7	267.3	771.0	534.2
Tax	549.7	542.5	(22.6)	152.2	88.0	–	–
Profit After Tax	1,144.4	493.9	990.5	874.5	179.3	771.0	534.2
Earning per Share (Rs.)	4.13	1.78	3.58	3.16	0.65	2.79	2.01

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

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting ("AGM") of the Members of MAHINDRA EPC IRRIGATION LIMITED ("Company") will be held at the Registered Office of the Company at Plot No. H-109, MIDC Ambad, Nashik-422 010 on Tuesday, 23rd July, 2019 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statement (including Audited Consolidated Financial Statement) of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors of the Company (the "Board of Directors") and Auditors thereon.
2. To declare a dividend on Equity Shares.
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. **Ratification of Remuneration of Cost Auditors**

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

"RESOLVED THAT pursuant to the provisions of Section 148, of the Companies Act, 2013 (the "Act"), the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act and the rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), Messrs Shilpa and Company, Cost Accountants, Nashik appointed as Cost Auditor by the Board of Directors of the Company, for conducting the cost audit of the Company for the Financial Year 2018-19, if applicable, at a remuneration of Rs. 1,60,000 (Rupees One Lac Sixty Thousand Only) plus applicable taxes and out of pocket expenses be and is hereby approved."

5. **Re-appointment of Mr. Anand Daga as an Independent Director**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution 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 and the 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], Mr. Anand Daga (holding DIN 00696171), Director of the Company who was appointed as an Independent

Director of the Company at the 32nd Annual General Meeting of the Company and who holds office of the Independent Director upto the conclusion of 37th Annual General Meeting and who is eligible for being re-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, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 24th July, 2019 to 23rd July, 2024."

6. **Re-appointment of Mr. Nikhilesh Panchal as an Independent Director**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution 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 and the 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], Mr. Nikhilesh Panchal (holding DIN 00041080), Director of the Company who was appointed as an Independent Director of the Company at the 32nd Annual General Meeting of the Company and who holds office of the Independent Director upto the conclusion of 37th Annual General Meeting and who is eligible for being re-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, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 24th July, 2019 to 23rd July, 2024."

By Order of the Board

Ratnakar Nawghare
Company Secretary

Registered Office:

Plot No.H-109, MIDC Ambad,
Nashik- 422 010
Tel: (0253) 2381081/82/83, 6642000
CIN: L25200MH1981PLC025731
e-mail: info@mahindrairrigation.com
website: www.mahindrairrigation.com
Mumbai, 30th April, 2019

NOTES

- A. Explanatory Statement as required under section 102(1) of the Companies Act, 2013 is annexed hereto.

Messrs. Deloitte Haskins and Sells, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 35th Annual General Meeting held on 29th July, 2016. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the rules framed there under, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting ("AGM") has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

- B. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- C. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

No instrument of proxy shall be valid unless:

- i) it is signed by the member or by his / her attorney duly authorised in writing or, in the case of joint holders, it is signed by the member first named in the register of members or his / her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any member, who for any reason is unable to write his/her name, if his / her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazette officers or any officer of a Nationalised Bank;
- ii) it is duly stamped and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting i.e. by 2.30 p.m. on

23rd July, 2019, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.

- D. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on its behalf at the Meeting.
- E. Members / proxies are requested to bring duly filled attendance slips sent herewith to attend the Meeting.
- F. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032.
- G. The Register of Members and Transfer Books of the Company will be closed from 19th July, 2019 to 23rd July, 2019 (both days inclusive).
- H. The dividend, if declared at the AGM, would be paid / dispatched after 23rd July, 2019 to those Shareholders or their mandates:
 - (i) whose names appear as Beneficial Owners at the end of the business hours on Friday, 19th July, 2019 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - (ii) whose names appear as Members in Registrar of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ its Registrar and Transfer Agents on or before Friday, 19th July, 2019.
- I. Members can avail of the facility of nomination in respect of the Shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Karvy Fintech Private Limited at the above mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
- J. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all the Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend through Electronic Clearing Service ("ECS") to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in

- electronic mode for deletion of/change in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participants about such change, with complete details of bank account.
- K. 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 and thus prevent fraudulent encashment.
- L. 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. An amount of Rs. 3.11 lacs being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2018. Members, who have not encashed the dividend warrants so far in respect of the aforesaid period, are requested to make their claim to Karvy at the earliest.
- M. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the rules framed there under, the Notice calling this AGM alongwith the Annual Report 2018-19 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by permitted mode.
- Members are requested to support this Green Initiative by registering/ updating their e-mail address, with the Depository Participant (in case of shares held in dematerialised form) or with Karvy Fintech Private Limited (in case of shares held in physical form).
- N. Members are requested to:
- i) intimate to the Company's Registrar and Transfer Agents, Karvy Fintech Private Limited, at the above mentioned address, 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 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.
- O. 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.
- P. 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.
- Q. SEBI has decided that securities of listed companies can be transferred only in dematerialised form 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.
- R. Electronic copy of the Notice of this AGM of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of this AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- S. 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.
- T. Members may also note that the Notice of this AGM and the Annual Report for 2019 will also be available on the Company's website www.mahindrairrigation.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Nashik, for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post at free of cost. For any communication, the shareholders may also send requests

to the Company's investor email id: rvnawghare@mahindrairrigation.com

- U. The route map of the venue of the AGM forms part of this Notice and is published elsewhere in the Annual Report of the Company.
- V. Mrs. Sujata Rajebahadur – Practising Company Secretary (Membership No. FCS 5728) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- W. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at this AGM by electronic means and the business may be transacted through e-Voting Services provided by Karvy Fintech Private Limited.

The instructions for e-voting are as under:

- A. In case a Member receives an email from Karvy Fintech Private Limited [for members whose email IDs are registered with the Company/Depository Participant(s)]
 - (i) Launch an internet browser and open <https://evoting.karvy.com>
 - (ii) Enter the login credentials i.e. User ID and password, provided in the email received from Karvy Fintech Private Limited. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering the above details, click on–Login.
 - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.) The system will also prompt you to 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. After changing the password, you need to login again with the new credentials.
 - (v) On successful login, the system will prompt you to select the E-Voting Event
 - (vi) Select 'EVENT' of Mahindra EPC Irrigation Limited - AGM and click on - Submit
 - (vii) Now you are ready for e-voting as 'Ballot Form' page opens.

- (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (x) Once you have confirmed your vote on the resolution, you cannot modify your vote.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at cssujata.rajebahadur@gmail.com or evoting@mahindrairrigation.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E Voting Event Number) USER ID PASSWORD

- (ii) Please follow all steps from Sl. No. (A)(ii) to Sl. No. (A)(xi) above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual available in the Downloads section of the e-voting website of Karvy Fintech Private Limited <https://evoting.karvy.com> or Mr. Prem Kumar M. Manager, Karvy at Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032 or at the email i.d.evoting@karvy.com or on phone No.: 040-67161500 or call Karvy's toll free number 1800-3454-001 for any further clarifications.

- II. Members who have acquired shares after dispatch of the Annual Report and before the book closure may obtain the user ID and password by sending a request at evoting@karvy.com

- III. If you are already registered with Karvy for e-voting then you can use your existing user ID and password for casting your vote.

If you have forgotten your password, you can reset your password by using "Forgot Password" option available on <https://evoting.karvy.com> or contact Karvy Fintech Private Limited at toll free no. 1800-3454-001 or email at evoting@karvy.com

- IV. The e-voting period commences on 20th July, 2019 (9:00 a.m.) and ends on 22nd July, 2019